

United States  
Circuit Court of Appeals  
For the Ninth Circuit.

Transcript of Record.

(In Three Volumes.)

STANDARD PORTLAND CEMENT CORPORATION, a Corporation,

Plaintiff in Error,

VS.

ERNEST E. EVANS, GEORGE COLEMAN, and  
PERCY W. EVANS, Partners Doing Business Under  
the Firm Name of EVANS, COLEMAN AND  
EVANS,

Defendants in Error.

VOLUME II.

(Pages 305 to 672 Inclusive.)

Upon Writ of Error to the United States District Court of  
the Northern District of California, Second Division.

FILED

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(Testimony of John L. Howard.)

Q. Have any steps been taken by Evans, Coleman & Evans, or any of the parties interested with them, at any time, against the Northwestern Portland Cement Company, to your knowledge?

A. Not to my knowledge. As to whether Mr. Evans was willing or unwilling to take the Northwestern Portland Cement Company's bonds, I think he had a good deal of confidence in the Portland Cement business in the Puget Sound country at that time, and was quite willing all the time to make the investment. Yes, I think he was willing to take some of these bonds, I think he was very willing. I don't know just what amount of anxiety he might have had. From the beginning, Mr. Evans was anxious, both willing and anxious to take some of these bonds carrying the bonus stock. With his bonds, Mr. Evans got 100% of bonus stock. The number of shares that he actually received was, I think, altogether \$215.00 or 2150 shares. When first I began to talk with Mr. Evans about the Northwestern matter the scheme of Dingee and Bachman was to give 200%, the same as they gave with the Santa Cruz project. Of course, that made an attractive kind of proposition. Afterwards they changed their mind. But because Mr. Evans had signified his willingness to take these bonds after I got my promotion shares, I felt that he and the others who had taken bonds through our office, or through me were morally entitled to get the amount which Dingee and Bachman had first promulgated, so that out of 99,000 shares I gave Mr. Evans an

(Testimony of John L. Howard.)

additional 100% which accounted for \$45,000 more. Then, because Mr. Evans had brought this deposit to my attention and I in turn had brought it to the attention of Mr. Dingee and Dr. Bachman, thereby making possible the establishment of a cement industry at Kendall, I felt that Mr. Evans was entitled to some consideration beyond the mere stock bonus. I went to Dingee and Bachman and asked that we contribute to him for practically finding [243—92] this property for us. Dr. Bachman was not very willing, but I gave \$100,000 out of my allotment and afterwards secured from Mr. Dingee—I gave an additional \$100,00 out of my allotment to Mr. Evans, and afterwards secured from Mr. Dingee \$25,000 more, Mr. Bachman never gave anything. I gave this out of my allotment of the promotion stock, and Mr. Dingee gave Mr. Evans \$25,000 out of his part. I felt that Mr. Evans' work in the premises ought to be recognized. He found the man who owned the property.

Q. I will ask you if you testified as follows, upon the taking of your deposition, page 30, speaking of Mr. Dingee's plan to consolidate these various cement companies, I ask you if you were asked this question and if you gave this answer:

“Q. As a matter of fact was that intention of Mr. Dingee and Dr. Bachman's ever carried into execution?     A. No, it fell down.”

Did you so testify?

A. Yes, and that represents the fact.

In the month of May, 1908, I received a power of

attorney from the Santa Cruz Company. This paper which you show me is a correct copy of that power of attorney.

Mr. DUNNE.—I offer this in evidence, gentlemen, by stipulation it may be left with the reporter to be written into his notes herein.

Mr. OLNEY.—Yes.

Thereupon said power of attorney was received and read in evidence in this cause, and is in words and figures as follows, to wit:

“POWER OF ATTORNEY TO ENTER INTO A  
CONTRACT WITH THE ISTHMIAN  
CANAL COMMISSION.

Know All Men by These Presents:

That the Santa Cruz Portland Cement Company, a corporation, organized and existing under and by virtue of the laws of the State of California, and having its principal place of business in the City and County of San Francisco, State of California, does hereby make, constitute and appoint JOHN L. HOWARD of the City [244—93] and County of San Francisco, State of California, its true and lawful Attorney in Fact for it and in its name to enter into a contract with the Isthmian Canal Commission to furnish the supplies and materials in conformity with the specifications and materials in conformity with the specifications contained in their circular No. 420, dated at the office of the General Purchasing Agent, Washington, D. C., January 25th, 1908, and entitled ‘Invitation for Proposals to Furnish Portland Cement.’

GIVING AND GRANTING unto the said attorney, full power and authority to do and perform all and every act and thing whatsoever requisite, necessary or proper to be done in the premises, as fully to all intents and purposes as this company could do if personally present, hereby ratifying and confirming all that said attorney shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the Santa Cruz Portland Cement Company has caused this power of Attorney to be executed under its corporate name and sale by its President and Secretary thereunto duly authorized, this 9th day of May, A. D. 1908.

SANTA CRUZ PORTLAND CEMENT  
COMPANY.

By WM. J. DINGEE,  
President.

L. F. YOUNG,  
Secretary.

State of California,  
City and County of San Francisco,—ss.

On this . . . . day of May, in the year One Thousand Nine Hundred and eight, before me, . . . . ., a Notary Public in and for said City and County and State, residing therein, duly commissioned and sworn, personally appeared William J. Dingee and L. F. Young, known to me to be the President and Secretary respectively of the Santa Cruz Portland Cement Company, the corporation that executed the within and foregoing instrument, and to be the officers who executed the said instrument on behalf of

(Testimony of John L. Howard.)

said corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official Seal at my office in the City and County of San Francisco, State of California, the day and year last above written.

.....,

Notary Public in and for the City and County of San Francisco, State of California."

Mr. DUNNE.—This is indorsed: "Copy. Power of Attorney. Santa Cruz Portland Cement Company to John L. Howard. Dated May 9, 1908."  
[245—93a]

WITNESS.—(Continuing.) The facts in connection with this power of attorney are that during the week subsequent to the Saturday to which I referred, when the differences between the two offices concerning our sales contract, growing out of their nonpayment of our bills were patched up with Mr. Dingee, a luncheon was arranged at which I was to meet Dr. Bachman, and the atmosphere was to be cleared. At that interview it was decided that I should go to Washington, D. C., to represent the Santa Cruz Cement Company in putting in a bid for the contract to furnish cement to the Isthmian Canal Commission for the Panama Canal, and that power of attorney was given me so that I might exhibit it at Washington as a justification of my signing their name to any bid that was entered. Dingee, Bachman and myself were present at this luncheon. They wanted



(Testimony of John L. Howard.)

to try to get the contract and they wanted to get it through and so the suggestion was made that they would give me power of attorney to bid for them.

Q. I will ask you if you testified as follows upon the taking of the deposition, page 38, speaking of the Wenzelburger Report and the diversion of Northwestern Portland Cement Company's funds, line 6:

"Q. Did you have any conversation with Mr. Dingee about it?

A. I know where some of it went. Yes, I talked with Mr. Dingee about it.

Q. What, if anything, did he have to say to you on the subject?

A. I learned for example from the Wenzelburger Report that something like \$100,000 of Northwestern money had been loaned in some way to the Santa Cruz Portland Cement Company.

Q. It was an independent corporation, wasn't it?

A. Yes. The executive officers of both corporations were the same.

Q. Did you learn where any of the other money went?

A. Yes. I know that something over \$100,000 had been used to buy shares [246—94] in the Bellingham Bay & British Columbia Railroad.

Q. What ultimately became of those shares, do you know? A. I heard.

Q. From whom, please?

A. I learned from a statement that was sent to me from the Santa Cruz Company's office in November, 1908, giving a statement of that company's condi-

(Testimony of John L. Howard.)

tion, that these Bellingham Bay & British Columbia Railroad shares had been given as collateral.

Q. Collateral security?

A. To the American Bridge Company for a construction debt on behalf of the Atlantic Portland Cement Company.

Q. The Atlantic Portland Cement Company, if I am not mistaken, is a Pennsylvania corporation?

A. Yes, there were two of these—a Pennsylvania and a California corporation.

Q. The one that you refer to as owing this debt for which these Bellingham Bay shares were pledged as collateral security is the Pennsylvania corporation? A. The California corporation.

Q. Who were at the head of the corporation?

A. I think the same people.

Q. Mr. Dingee and Dr. Bachman?

A. I don't know that personally, but I think so; they were the promoters."

Q. Did you so testify?

A. Yes, but I may have been in error as to the source of the information as to the pledging of these Bellingham Bay shares. I said there that that grew out of a report which I think Mr. McEnerney sent to my office at the time of Dingee's collapse. I may be mistaken as to the source of my information, but that is substantially correct other than that.

Q. Do you recollect when Mr. McEnerney sent that report to your office?

A. Oh, it was during the time of Dingee's troubles.

Q. During the latter part of 1908?

(Testimony of John L. Howard.)

A. Yes.

Mr. OLNEY.—May I ask a question here, Mr. Dunne? [247—94a]

Mr. DUNNE.—Yes.

Mr. OLNEY.—Q. Did you have any information as to the pledging of the shares of the Bellingham Bay and British Columbia Railway before that time?

A. No.

Mr. DUNNE.—Q. So that prior to the time when Mr. McEnerney sent to you this report in the latter part of 1908 you had no knowledge at all of the ultimate disposition of these Bellingham Bay Railway shares?

A. No, I had no knowledge of the internal affairs of the cement companies at all.

WITNESS.—(Continuing.) As to my recollection of any occasion when there was a conversation between me and Mr. Evans about those affairs, in which Mr. Wenzelburger's name came up, or the propriety of examining the books of the Northwestern Company came up, I think the examination grew out of expressed dissatisfaction in a letter from Mr. Evans about getting no replies to inquiries which he had made of Mr. Dingee; and my recollection is that I had suggested the [248—95] appointment of an accountant, through making him a share owner, to make the examination. I think I nominated Mr. Wenzelburger at the instance of our secretary, who knew him; I never met Mr. Wenzelburger. The reasons which Mr. Evans gave me in the matter of making this examination of the affairs of the North-



(Testimony of John L. Howard.)

western Portland Cement Company, were the suspension of work, and dissatisfaction growing out of that, and the general want of definiteness about plans. By this time he had learned first, and I found out afterwards that Mr. Dingee had stopped work and was shipping the material that was on hand at Kendall down to the Santa Cruz, which indicated that it meant for temporarily at least a virtual abandonment of the project. As to what month this conversation with Mr. Evans occurred in, I think it grew out of the letters. I could not distinguish what occurred in one conversation from another. We met very often in those days. The result of that was that Mr. Wenzelburger was detailed to make this examination, which he did; and following upon that examination Mr. Evans came to San Francisco. I think Mr. Evans came to San Francisco during the next month after Mr. Wenzelburger's report was prepared. I think he came in the month of March; it was not long afterwards.

Q. I will ask you if you testified on your deposition page 41, line 7:

“Q. Do you recollect what part of March it was when he came down?

A. I cannot recall the particular part of the month.

Q. When he came down, what occurred with reference to this matter?

A. We held a meeting in my office. There were present, I think, Ernest Evans, Sidney V. Smith, and George W. Spencer since dead, and the affairs were discussed.

(Testimony of John L. Howard.)

Q. What particular affairs?

A. The general affairs of the Northwestern, the unsatisfactory condition that these people's moneys had gone in, and that work had been stopped on the plant, and it was finally concluded that I should visit Mr. Dingee, and suggest to him the repurchase of these bonds that had gone through our office, carrying out a notion that I had expressed in a previous letter to Ernest Evans. I paid the visit, and was offered the note of the Santa Cruz Portland Cement [249—96] Company, with the indorsement of Dingee and Bachman. I reported back—

Q. (Intg.) Offered that note for what purpose?

A. For the repurchase of these bonds.

Q. You reported back, did you?

A. Reported back to these people, and advised them that in my opinion it would be better to take the notes of the Standard Company if it could be had. My reasons for that was, the Standard Company had practically cut its bonded debt in two, so I was informed by Mr. Dingee at different times, that the Santa Cruz Company had just started with a large bonded indebtedness, and that its product was so bad that the success of the company was not then assured. They adopted the suggestion, and I went back to Mr. Dingee and he adopted it. Then the bonds and shares were collected by our secretary. I had no further personal connection with the transaction after having arranged the matter with him, and the secretary of the company took them up and delivered them to the secretary of the Standard Port-

(Testimony of John L. Howard.)

land Cement Corporation, and from him obtained the Standard Portland Cement Company's notes—or corporation's notes, together with a certified copy of the resolution of the Board of Directors.

Q. Why did not Mr. Evans consult with Mr. Dingee directly on this occasion, if you know?

A. I suppose he might have done it.

Q. Was there any special reason why you should have gone?

A. No, except on account of the intimacy that existed between us; we were all together; Mr. Evans was a shareholder in the Western Fuel Company, Sidney Smith was a shareholder, Mr. Spencer was a shareholder.

Q. Then, there was no particular reason why you specially should have gone on this mission, was there?

A. They might have gone, but they asked me to do it, and I did.

Q. When they asked you, did they assign any reason why they wanted you to go?

A. No; I suppose they thought that because of the business relations between Mr. Dingee and myself that I was perhaps a better errand boy than any of them might have been."

Did you so testify?      A. I did.

Q. And that statement of your transaction is correct, is it?      A. As I recollect it.

I ceased to be a stockholder of the Northwestern Portland Cement Company just as soon as I surrendered back all the shares, the secretary of the North-

(Testimony of John L. Howard.)

western Portland Cement Co. sent word to our secretary that he had transferred them. [250—97]

Q. You turned back your stock just about the time of this Dingee interview?

A. I turned them in at the same time with all the other shares. In this interview with Mr. Dingee which has just been quoted from my deposition as given before the notary, I was representing these various bond holders. I went in their behalf. I do not think that Mr. Evans gave any reason himself why he wished to get rid of these bonds—have Mr. Dingee repurchase them, except the general one that he wanted to get out of his investment. He wanted his money. More or less complaints had been made to me by Mr. Evans concerning the apathy with which this enterprise was being developed and by me to the cement company. There were a number of these complaints toward the latter part, during the last half of 1907. Mr. Evans was complaining to me about the delay in establishing a plant and factory, and I was complaining to Mr. Dingee and Dr. Bachman constantly. These complaints began during the latter half of 1907, and they continued right along up to the time of the arrangement with Mr. Dingee in 1908, and were constant during that period. It developed toward the last that Dingee and Bachman had not told me the truth. I complained myself to Mr. Dingee and Dr. Bachman, and conveyed to them the complaints that Mr. Evans had been making to me, I think I would sometimes show them letters received from Mr. Evans. It was my prac-

(Testimony of John L. Howard.)

tice when these complaints were under discussion to tell Mr. Dingee and Dr. Bachman what Mr. Evans was complaining about and others and myself; and I kept Dingee and Bachman advised as to the nature of the complaints that were being made and by whom they were being made.

Q. If a complaint came along that was of a more striking or impressing character than any of the others, would you not also convey that to Mr. Dingee and Dr. Bachman?

A. As they came along no matter what their character [251—98] was. I conveyed these complaints to them sometimes in person and occasionally I did by note.

I was titular vice-president of the Bellingham Bay and British Columbia Railway for about a year. It was a nominal position. Mr. Taylor was President; he was the active man. I advised a little bit, but not very much. I went there and went over their line and made some suggestions to Mr. Taylor and to Mr. Page, the superintendent. I represented an interest in the matter. I had stock put into my name by Dingee. I think I know where the money came from which purchased that stock. I think he used Northwestern Portland Cement Company's money to buy the Cornwall interest. As to how many interests were really represented in the management of that railroad my recollection of what I was told is that D. O. Mills had a large interest. He was then living. He was represented by Mr. Taylor; and then there was the Cornwall interest, and there was the Hay-



(Testimony of John L. Howard.)

ward interest. It was the Cornwall interest which passed to Mr. Dingee, and he at that time represented the Hayward Estate; so the purchase of the Cornwall interest, as I was informed gave him control of the corporation.

Q. He really controlled about 2/3rds?

A. I do not remember the proportion. The Bellingham Bay and British Columbia railroad is 50 or 60 miles long. It runs from Bellingham Bay up towards the British Columbia line at a place called Sumas. That was the original line, what might be considered the Westerly half. The easterly half ran from there to a place called Glacier. The idea of Dingee's purchase of the Cornwall interest as he explained it to me, was this: That the road had been under consideration of purchase by some of the larger mines. The westerly half of the road was profitable. The easterly half was not. Kendall would be in the easterly half. He considered that if an industry like a cement plant [252—99] were established with its yield of tonnage it would make the easterly half profitable and therefore seem attractive to buyers. There were other railroads looking at the property, also. All that was wanted was the establishment of a constant tonnage on this easterly half to make the thing attractive to some other larger line. None of them wanted to retain possession of it. They preferred to sell. I went in as vice-president to sort of arrange the relationship between the cement company and the railroad. The plan in regard to the railroad in connection with the North-

(Testimony of John L. Howard.)

western Portland Cement Company was that a straight contract should be arranged between the cement company and the railroad company so that, in the first place, it would make the railroad attractive as a piece of property for sale and in the second place, if it were sold, the purchasing company would inherit this contract with the cement company and the cement company would be protected in the matter of rates for a long period of time. That plan fell down too; it died stillborn. The cement company was never established. But that was the purpose. I think I received a nominal salary as vice-president. I have forgotten what it was. The roadbed was in fair condition for a road of that kind. They had equipment enough for what business they were doing, but not enough for the increased volume of business that the cement company would draw on to it. My salary as vice-president was not so much as \$150 or \$175.00 a month. I have forgotten what it was—\$100 or \$125. They fixed it, I didn't.

No contributions were made by Dingee of Northwestern funds to the roadbed or equipment of this railroad except in this way. They, of course, had to build their spur track from the main line of the Bellingham Bay and British Columbia Railway into the factory site, and when Dr. Bachman was considering the order for the rails, I suggested to him that inasmuch as [253—100] the interests were largely identical, that the new rails had better be put into the main line of the Bellingham Bay and British Columbia Railroad and take up the old rails and re-

(Testimony of John L. Howard.)

lay them into the spur track into the factory site and charge the Bellingham Bay and British Columbia Railroad with the new rails, and give them credit for the value of the relaid rails and the difference would be worked out by the railroad company in grading and building the spur. I think that was done. I don't recollect any other instance of that kind. I don't remember the supplying of a \$10,000 locomotive to the Bellingham Bay and British Columbia Railroad Company by Mr. Dingee, or by the Northwestern Company. I never heard of that. The only transaction between them that I knew of was in connection with those rails.

Q. Do you recollect having any discussion with Mr. Taylor or with Mr. Page, the superintendent, or with Mr. Dingee concerning the ineffectual or inefficient character of the equipment of that road and the necessity for the Northwestern Company putting some of its funds into the betterment of the road?

A. I may have discussed with them the inadequacy of their rolling stock and the necessity if they were going to operate economically of changing some of their grades, and that sort of thing, but I do not think I ever advocated the use of Northwestern funds to go into the general business and equipment of the Bellingham Bay and British Columbia Railway. I did suggest this matter of the exchange of rails. As to what the Bellingham Bay and British Columbia Railway Company actually did in the matter of the laying of this spur track, I can't remember whether they carried out the suggestion that I made to them.



(Testimony of John L. Howard.)

that the difference between the value of the two sets of rails should be worked out by the railway company in grading and putting in the spur, or whether that the grading was done by the cement company. I cannot tell you. Mr. Davis, who was the [254—101] resident engineer there would know about that.

Q. Could the Bellingham Bay and British Columbia Railroad be described as a business success, Mr. Howard? Has it ever paid a dividend?

A. Well, I don't know; I was not connected with it long enough; while I was a stock holder it didn't.

Q. Were you sufficiently familiar with its business affairs as vice-president to know whether it carried a surplus?

A. Well, I saw some of the operating sheets, not all of them, but I saw some. It was not a great commercial success during that period. I don't know the amount of its bond issue. I don't remember now. I was familiar with it then but I have forgotten. I could not tell you from memory whether it was as much as \$750,000.

Q. Do you recollect any conversation with Mr. Taylor or with Mr. Page, upon the propriety of increasing the bond issue of the Bellingham Bay and British Columbia Railroad?

A. Yes, I think there was a discussion of that kind, to increase its efficiency, and I think he had some talk with the firm of Rollins & Son. They declined to touch the proposition. I don't know whether the interest on the bonds of this railroad company was kept

(Testimony of John L. Howard.)

paid up. As to whether there was any complaint about that Mr. Taylor and the Mills Estate handled that in some way, I have forgotten the particulars now, but I think Mr. Taylor took charge of the interest question. I think the road owed the D. O. Mills Estate some money. While I might have been familiar with it at the time, it has passed out of my mind now. The controlling motive with Mr. Dingee in entering into this Bellingham Bay & British Columbia Railway was to be found in the proposed cement plant at Kendall. He represented the Hayward Estate at the time, and when the Cornwall interest was available he thought he could improve the value of the stock [255—102] of the railroad, and that the property would be improved by the establishment of this industry on the easterly end of the line. I think Mr. Dingee was the executor of the Hayward Estate and at the time when he took charge as executor of that estate, that estate already owned stock in the Bellingham Bay Railway.

Q. The purchase by Mr. Dingee of the Cornwall interest is to be traced to the proposed plant at Kendall?

A. They were in connection one with the other.

Q. It was in connection with that cement plant that he expected to give the eastern end of that railroad an efficiency and a value that it did not theretofore possess?

A. That is correct. There was then in existence no other outlet for a cement plant at Kendall except by the Bellingham Bay and British Columbia Rail-

(Testimony of John L. Howard.)

way, and none up to May, 1908. The Northern Pacific has a surveyed line across Kendall, but it is not built. As to whether there is any cement market of any consequence at any point along the route of the Bellingham Bay and British Columbia Railway, the cement plant would not be built for the local business along that line. The whole State of Washington is open to it; but along the line of the Bellingham Bay and British Columbia Railway, there is no cement market of any consequence; it is sparsely populated. You could very readily get the product of a cement plant from Kendall to where there was a live market; as, at Sumas, where it connects with the Northern Pacific Railroad. The freight rates of the Northern Pacific would be the chief factor in the problem. Then you can go to Bellingham and connect with the Great Northern Railroad or you can go to Bellingham and ship by water. In all these connections with other roads, the managers of the cement plant at Kendall would not be confronted by problems arising from freight rates on these other roads; you would get a freight rate made from your factory to all points in the State of Washington [256—103] by any *one* *them*. As a matter of fact, there was considerable negotiation on that very subject matter. I had that matter up; that was part of the functions I performed in his business. No result was arrived at in regard to the establishment of a freight rate, except in a general way; tentatively there was.

Q. So that whatever rate the manager of a cement

(Testimony of John L. Howard.)

plant at Kendall might have made with the Bellingham Bay and British Columbia Railway, he would have to take into consideration the freight rates of the connecting roads, would he not?

A. He would go to the main line and get them to name a through rate, which through rate would absorb the British Columbia rate. He would work from out in instead of from in out, except for water shipment to be made from Bellingham, in which case the transportation would be over the Bellingham Bay and British Columbia Railway only.

Q. Your own appreciation of the difficulties attendant upon the establishment of freight rates were such that you advocated water shipment altogether did you not, so far as you could?

A. Owing to certain local conditions to reach the other side of Puget Sound for example, where they had no rail connections; but nobody with a cement plant in that country can get along without the railroads; they must distribute their product there just the same as they do here. I do not know when the Bellingham Bay and British Columbia Railroad was built. It ran upon a regular schedule and it had a regular passenger trade. I think it had a regular freight schedule also. They had telegraph wires, but I do not think that it was customary or usual to use the telephone in connection with the trains there. I think they had a regular telegraph service.

Q. Do you know whether the road was operated, not upon a fixed schedule, but the trains were called as they were [257—104] needed?

(Testimony of John L. Howard.)

A. Oh, no, they had regular daily trains. I stated that the westerly half of this road was profitable but the easterly half was not, but I could not give now from memory the mileage. My impression is that it was about 23 or 25 miles from Bellingham to Sumas, running in a northeasterly direction, and from Sumas the road tends in a southeasterly direction. It make a sort of a "V." I think the distance is about the same to Glacier. The exact mileage I have forgotten. The western end stops at Bellingham which is a deep water shipping point.

No private code was ever established between me and Mr. Dingee, or between me and Dr. Bachman, or between me and Mr. Evans. I recall now in reading over some of this correspondence I did use our company's code in some telegram to Mr. Evans. It was not the usual practice. He had not a copy of the code. I don't know whether I used the word "statesman" for any purpose. If you show me the telegram I can tell you. Mr. Dingee never used the word "statesman" as a code word. He had a kind of joke that because I was a member of the City Council he called me "Statesman"; that is what that means; and if we find the word "statesman" in letters or telegrams it refers to the fact that I was a member of the Oakland City Council at one time.

Q. It refers to John L. Howard?

A. Perhaps so. That is the connection in which he used it with me. I have never seen before the telegram which you exhibit to me, dated July 17th from Mr. Dingee at New York to Dr. Bachman at



(Testimony of John L. Howard.)

Napa, California.

Q. I call your attention in that telegram to the word "statesman" in the sentence "settle statesman interests before I return": Whom does that word "statesman" refer to?

A. Well, I should say from the fact that he used that word in connection with me that it may refer to me. [258—105]

Q. Now, take this telegram of July 19th from Mr. Bachman in San Francisco to Mr. Dingee in New York, in which the word "statesman" appears, and reading the two telegrams together, I ask you whether you are the person referred to there by the word "statesman."

A. I may be, quite likely I am.

Mr. DUNNE.—I offer these two telegrams.

Mr. OLNEY.—We object to them. Well, are you sure they are authentic, Mr. Dunne?

Mr. DUNNE.—Oh, yes.

Mr. OLNEY.—Very well; no objection.

WITNESS.—But the latter telegram is not true.

Mr. DUNNE.—Well, that is another matter, Mr. Howard.

Thereupon said telegrams were received and read in evidence in the above-entitled cause, and are in the words and figures as follows, to wit:

The first one is dated "July 17"; it is addressed to "Dr. I. A. Bachman, Napa Junction, California. Why should we delay Sound Plant; get after Mc-

(Testimony of John L. Howard.)

Enerney for railroad bond; settle statesman's interest before I return; start Friday.

W. J. DINGEE."

The next one is dated July 19, 1906. It is addressed to "William J. Dingee, Esq., Waldorf Astoria Hotel, New York, N. Y. Have settled with statesman for nine thousand shares, he to provide three hundred thousand one for one. Puget Sound was incorporated Saturday. Everything under way except railroad which I feel we must have.

IRVING A. BACHMAN."

Q. I observe here the language: "Have settled with statesman for 9,000 shares." I ask you if that language does not refer to 9,000 shares of promotion stock which you received on the organization of the Northwestern Portland Cement Company.

A. I believe it does, but the statement in the telegram is not true. The whole of that telegram that refers to the "statesman" is [259—106] untrue.

Q. So, then, in the first place, there was no settlement with you for 9,000 shares?

Mr. OLNEY.—By Mr. Bachman.

The WITNESS.—By Mr. Bachman.

Mr. DUNNE.—Q. Or any interest that Mr. Bachman represented?

A. By Mr. Bachman. I referred in my deposition to the [260—106a] fact that Dr. Bachman paid me a visit long, long after the voluntary offer of Mr. Dingee to let me share equally with him in any promotion stock connected with the Puget Sound Company. This telegram of Dingee's, which I see

(Testimony of John L. Howard.)

for the first time, accounts for the visit of Mr. Bachman. He came and made this proposal, to which I did not assent, because it varied with the terms of the offers that Dingee had discussed with me, and Dingee was not here. As to who acted for Dingee here in this matter, during Dingee's absence, Bachman was talking for him in all these affairs. He was vice-president or president; their offices interchanged, one was president of one thing and one was vice-president of another.

Q. I will endeavor to interpret this language, Mr. Howard, and I wish you would advise me if I interpret it correctly: "Have settled with statesman for 9,000 shares"—that refers to 9,000 shares of promotion stock: "he to provide 300,000," meaning 300,000 worth of bonds, one for one. Is that a correct interpretation of it?

A. That is what the telegram means. That language is untrue. It was his proposal, without my assent. I never agreed to underwrite any quantity of bonds.

I do not personally know whether when the Northwestern Portland Cement Company was organized, any of the shares of its capital stock were issued to Irving A. Bachman, nor do I know from anything that Mr. Bachman or Mr. Evans or Mr. Dingee may have told me. I received \$900,000 worth of shares, which would mean 9,000 shares. I cannot remember the date, but approximately it was sometime in the early part of 1907. If the date is necessary, I think I could reasonably well fix it by reference to some of



(Testimony of John L. Howard.)

these letters exchanged between myself and Ernest Evans. I received those shares through a voluntary offer on the part of Mr. Dingee, in the early part of the Northwestern affairs, under [261—107] which I was to share equally with him and Dr. Bachman in whatever promotion share profits there might be in the promotion of the Northwestern Portland Cement Company, by reason of the work that I was doing in the north; that work did not include at that time any assistance that I might render in the way of selling bonds; nor did it later on, excepting in this way, Mr. Dunne, that after this offer on the part of Mr. Dingee, I had a visit from Dr. Bachman, and he threw out the idea that if I did not sell any bonds, \$600,000 of stock was to come to me. If I sold 300,000 of bonds I would get 900,000 in shares. Inasmuch as I never discussed this business with Dr. Bachman, and as it differed from the offer which Mr. Dingee made, I did not have any discussion with Dr. Bachman on that subject.

As to who was W. H. Cole, there was a young man by the name of Cole, whose initials I do not remember, who was an accountant or clerk or bookkeeper in the cement company's offices under Mr. Dingee. I used to meet him there.

As to the number of shares of bonus stock which Mr. Evans received with the bonds that we got, he got with the bonds what was called one for one, \$45,000 in stock, which would be 450 shares. In addition to that, I considered that, as he had brought the property to my notice, and that it had thus reached the

(Testimony of John L. Howard.)

cement company because of his influential work, that he was entitled to some consideration out of the promotion stock, and asked Mr. Dingee and Dr. Bachman to recognize his work in that regard; and Mr. Dingee was favorably disposed but Mr. Bachman was not. I gave to Mr. Evans voluntarily \$100,000 out of the shares that came to me; I got \$900,000 worth of shares; I gave him, in addition, \$45,000 to make good the difference between the two for one, which I told him originally would be done, and the one for one, to which Dingee and Bachman afterwards changed their scheme. Then, I got Mr. Dingee to give him an additional [262—108] \$25,000 out of his portion; but Mr. Bachman never contributed any. Mr. Evans received \$215,000 in shares, 2,150 shares, the par value being \$100.

Except by hearsay, I do not know who organized the Standard Portland Cement Company. I got that hearsay just generally. I knew that Mr. Dingee and Mr. Henshaw were the principal factors in it. I do not know any others. I did not get that information from any of the parties to this suit. I knew who was interested in it at the time. I do not know who organized the Standard Portland Cement Corporation. I do not know who organized the Santa Cruz Portland Cement Company. I know that Mr. Dingee and Mr. Bachman were chief factors in the organization; that is as far as my knowledge goes. I do not know who organized the Northwestern Portland Cement Company. The Northwestern Portland Cement Company was the outgrowth of suggestions

(Testimony of John L. Howard.)

that I was pressing upon Mr. Dingee and Mr. Bachman during the years 1904 and 1905 to establish a factory in the north, for the purpose of meeting local demands, and partly as an insurance for their California investments, meaning, that if other factories were started there, they might ship to California and interfere with the business here. They did not pay very much attention to these suggestions until the early part of 1906, when, because of my frequent visits to British Columbia, and my knowledge of the country on Puget Sound they commissioned me to try to find some cement deposits. I gave it some little attention personally when I was in the north, and I solicited the aid of some friends in Seattle, and finally of Ernest E. Evans of Vancouver. I think it was in June, 1906, that Ernest Evans took me out to a place called Sumas, and there I met a man named Reidle who had been prospecting for him and for Balfour-Guthrie Company to find lime deposits. He had one that he wanted to show. Evans, Reidle and I visited a deposit near the town of Kendall on the [263—109] line of the Bellingham Bay and British Columbia Railroad. After I saw a part of it, I telegraphed to Mr. Dingee, who immediately sent Dr. Bachman to the north. In connection with the promotion and organization of the Northwestern Portland Cement Company, I got to know in talks with Mr. Dingee just what the financial scheme of the Northwestern Company was. He proposed, as I remember it, to issue 2,000,000 of bonds and 5,000,000 of stock, and at its inception his idea was to put out

(Testimony of John L. Howard.)

on the basis of the Santa Cruz promotion, 200% of bonus stock with each bond. After he had such success with the Santa Cruz, he changed his plans to 100% of stock. I do not recollect anything further that he said on the subject of the financial scheme of this company. I do not recollect when it was that we had these conversations; they occurred off and on as we would meet during 1906, after the discovery of the deposits and the purchase by Mr. Bachman. I did not directly make any effort to interest any other persons in the Northwestern Portland Cement Company. I did, indirectly, in this way, that at the time that the Northwestern was being exploited the fame of the success of the Santa Cruz Company had gone up and down the Coast pretty well, and I did interest myself in the bonds of the Santa Cruz; people who had known about that and knew that I was in some way connected with the people who were putting through the Northwestern were anxious to get some of these bonds. Mr. Evans, for example, and Mr. Stockett, who was our mining engineer, when he heard about it he thought he would like to have a few. But to solicit bonds—the purchase of bonds, I did not.

I do not know the date when the Northwestern Company was organized, nor do I recollect generally the fact that it was organized in the fall of 1906. I think it is very likely that the company was organized in the year 1906. I do not know anything about the proceedings by which the Northwestern Portland [264—110] Cement Company's bond issue was authorized. I cannot recollect anything more than the

(Testimony of John L. Howard.)

year. I think it must have been in 1906, and it must have been after the month of July; but I did not know when it was organized. I do not know when the bond issue was authorized. I do not remember exactly when the company was organized. I do not know whether the bond issue was authorized within a brief period after the time of the organization of the company. I was not a director, and I had no part in the proceedings, and was not consulted about it. I have no knowledge at all of those dates. I cannot answer now whether any interest was ever paid on the Northwestern Company's bonds, to my knowledge. I do not recollect whether the coupons were paid or not. I could ascertain, but I have no memory either one way or the other.

I received 9,000 shares, but I could not tell when I received them. I do not recollect the date when the company was organized. I think they were sent to me at the office. It was sometime, I know, after the company had been organized. I do not know precisely when it was organized. I never heard of the bond issue in particular. I knew the bonds were ready, because I had drawn bonds for these different people. I do not recollect whether I had already received the 9,000 shares at the time when I knew that the bonds were ready and had drawn bonds. They sent the stock to me from the office. I do not remember that any stockholders' meeting of the Northwestern Portland Cement Company was ever held that I know of. I do not know anything about any stockholders' meeting ever having been held of the



(Testimony of John L. Howard.)

Standard Portland Cement Corporation subsequent to 1906.

Mr. BROBECK.—Q. Although the title to these lands to which we have referred was to be taken in the name of Mr. John L. Howard, Mr. Howard's testimony is to the effect that he was actually procuring that land to the use and for the benefit [265—111] of the Northwestern Portland Cement Company; is not that the fact, Mr. Howard?

A. No, sir; it is not. I took that land up for my own use and benefit, and I made an affidavit to that effect, and when I returned from that trip to the north I acquainted Mr. Dingee and Mr. Bachman with what I had done, and with the nature of the affidavit that I made in that connection, and I told them that they must not discuss that matter with me, and they never did.

Q. In other words, there was a gentleman's agreement between you that that would be kept out of the case and out of discussions until you got your title from the land office, and that then when you got your title from the land office you would turn the title over to them?

A. No, sir. That was not the intention. It was not my intention and purpose to procure 80 acres in the middle of those tracts of land and to hold it for my own use and benefit. I was holding it until I got the title, and then I would be free to deal with it. I never had any agreement with them about it, but that might have been my intention, and that is what I did after the title was given to me. I do not mean to tes-

(Testimony of John L. Howard.)

tify that it was ever my intention, while I was buying those other lands for the company up there that I was at the same time taking up 80 acres running right through the middle of those lands for my own use and benefit, and not with the intent of turning it over to that company. I never had any intention to take advantage of the company. What I want to convey to you is this: that having had to make an affidavit that I was taking it for my own use and benefit, from the time I signed that document I never discussed with Messrs. Dingee or Bachman the question of that land, or its title, until the time came to transfer it. that was long after I got the title. [266—112]

Q. I commend your cautiousness, Mr. Howard, but the purpose remain the same throughout.

A. That is right.

Q. Now, Mr. Howard, I exhibit to you this map of township 40 north, range 5 east, Whatcom County, Washington, and ask you to look at the colored sections in that and tell me whether they correctly represent the area of the lands of the Northwestern Portland Cement Company.

A. Well, I could not say from this map. There were maps in existence at the time which would enable me to identify it, but I think generally it looks right. There were some blue-prints in existence at one time that had the names on them.

Q. Now, I will ask you to take in connection with that plat this deed from yourself and wife to the Standard Portland Cement Company, and using that deed to assist you, I want you to state whether or not

(Testimony of John L. Howard.)

you find there the lines of the Northwestern Portland Cement Company correctly delineated on that plan.

A. This says the westerly half of the southwesterly quarter of 23. That is the westerly half of the southwesterly quarter. Each of these small squares represent 40 acres. So far as I know, this is a correct representation of the area of the lands of the Northwestern Portland Cement Company. Included in the marked portions of this plat there are 13 quarter sections; that would be 520 acres. I could not tell whether this blue-print which you exhibit to me is accurate. I don't know whether it is the correct representation of the holdings of the Northwestern Portland Cement Company at Kendall. If you will give me the deeds of the property and let me compare them with the map and give me the descriptions, I can tell you. This is not the blue-print to which I refer. There were some blue-prints which I had made and upon which I blocked out the pieces [267—113] when they were purchased. If I had one of those I could tell you. I remember that there were three different sections of land; one was bought from Peter Zender, that was farming land, in the bottom of the valley; that was 160 acres. Then there were 80 acres up on top; perhaps that is represented by these 4—20's. I bought that from Reidle, and I bought this from Zender. Then, there was a man named Mansard further up the valley this way. He had another 160 acres. That makes 400 acres. And then there was a subsequent purchase made, I think, by Dr. Bachman, through the Bellingham Bay Rail-



(Testimony of John L. Howard.)

road superintendent, but the quantity of that I don't know. I did not have anything to do with that. Mr. Evans drew on me, and I got the money and paid for it. I paid Reidle and I paid Zender with money furnished by Dr. Bachman. This represents the 80 acres for which I got the United States patent. With the exception of the pieces that, I think, were subsequently bought, I think that blue-print is correct.

Mr. DUNNE.—I offer in evidence this plat to which the witness has referred, and the blue-print also.

The MASTER.—The plat will be received as Complainant's Exhibit 6, and the blue-print will be received as Complainant's Exhibit 7.

Thereupon said plat and blue-print were received in evidence in this cause and the following are true copies thereof. (Here insert copies of said plat and blue-print.)

Mr. DUNNE.—I exhibit to you this letter, Mr. Howard, and ask you to examine it. You recognize this letter as a letter received by you from Mr. Taylor of the Bellingham Bay and British Columbia Railway, do you not?

A. Yes. He is the president of it.

Mr. DUNNE.—We offer this in evidence.

Thereupon said letter was received and read in evidence in this cause and is in words and figures as follows, to wit: [268—114]

“May 5, 1908.

“I have done nothing toward raising money for the road excepting to authorize Page to borrow \$10,000

(Testimony of John L. Howard.)

from Purdy with which to expend Seahome Dock 200 feet. Recently I visited Bellingham and took up with the Chamber of Commerce and the City Board of Trustees the question of obtaining a franchise skirting the water front at Bellingham from Seahome Dock to Squalicum Creek. We agreed to extend the dock and the Improvement Company agreed to rebuild Dock Street if this franchise were given us. Our plan has met with a little opposition but we feel that things will come out all right. In case we get the franchise it will be necessary to raise \$40000 with which to construct the road over the line of the franchise to operate it. We will be allowed two years to begin work, but it would be better to do it as soon as possible. We have bonds issued in the sum of \$659,000 and I would suggest that we raise the necessary funds by increasing the issue to an even \$700,000.

Very respectfully,

H. H. TAYLOR, President."

WITNESS.—(Continuing.) This letter does not recall to my mind any other facts in connection with the bond issue of the Bellingham Bay and British Columbia Railway, but it recalls the matter that is referred to by Mr. Taylor; according to that letter, the outstanding bond indebtedness of May 5th, 1908, was \$659,000. Mr. Taylor would be the very best authority on that subject instead of depending on my memory of three or four years ago. I know what that letter refers to; I remember that quite distinctly. I do not recollect what the amount of the floating indebtedness of the railroad company was

(Testimony of John L. Howard.)

at or about this time; if you suggest to me the sum of \$230,000 that would not assist my memory in any way. I know they had a floating indebtedness, but I cannot recollect the amount now. I do not recollect how much was due to Mr. Mills. I know he was carrying a lot of [269—115] it. As to whether he was carrying \$150,000, I do not remember the amount. I just remember the fact. I do not remember how much was due to the Black Diamond Company. I do not recollect that there was something due to that company. I do remember that Mr. Mills was carrying a part of that floating debt, so Mr. Taylor told me, as his agent. I have no recollection as to the Black Diamond Company. I cannot recall that now; no connection with it was rather a slim one.

Q. You were simply the representative of Mr. Dingee?

A. I went into the Board at his instance, but I conferred with him in the North more or less; sometimes with Mr. Taylor. In the course of my testimony, I have spoken of having made certain advances to the Standard Portland Cement Company and the Santa Cruz Portland Cement Company. As to those portions of this letter addressed by me to Mr. Cameron which deals with these acceptances, I cannot state whether those figures are correct; there is a long list there.

Mr. OLNEY.—We will admit that this statement of acceptance is correct.

### 340     *Standard Portland Cement Corporation*

Thereupon said statement of acceptances was received and read in evidence in this cause and is in the words and figures as follows, to wit:

#### STANDARD PORTLAND CEMENT COMPANY,

Date of Draft 1908.	Drawn in Favor of.	Amount.	When Paid by us, 1908.
May 28.	Associated Oil Company.....	\$12,000	June 28th
" 28.	" .....	7,000	" 28th
" 28.	Standard Portland Cement Co.....	30,000	" 28th
" 28.	Allis-Chalmers Co. ....	5,000	July 13th
June 15.	Standard Portland Cement Co.....	20,000	" 15th
" 30.	Oakland Bank of Savings.....	5,000	" 28th
July 27.	Standard Portland Cement Cor.....	25,000	Aug. 28th
Aug. 1.	Calif. Gas. & Electric Cor.. ..	10,000	" 28th
" 3.	Standard P. Cement Cor.....	20,000	" 13th
" 14.	" " " .....	15,000	" 15th
" 14.	" " " .....	15,000	Sept. 30th
" 17.	Mercantile Trust Co. ....	10,000	" 30th
[270—115a]		Amount.	
Aug. 24.	Standard P. C. Cor.....	10,000	Oct. 15th
" 31.	" " " .....	20,000	Sept. 15th
Sept. 31.	" " " .....	10,000	" 30th
Sept. 14.	" " " .....	20,000	Oct. 30th
" 14.	" " " .....	5,000	" 30th
" 14.	Bemis Bros. Bag Co.....	25,000	" 30th
" 24.	Standard Portland C. Cora.....	5,000	" 15th
" 24.	" " " .....	10,000	" 15th
Oct. 5th.	" " " .....	25,000	Nov. 18th
" 19th.	" " " .....	25,000	Dec. 15th
" 22nd.	" " " .....	15,000	" 17th
" 29th.	" " " .....	25,000	" 28th

(Testimony of John L. Howard.)

SANTA CRUZ PORTLAND CEMENT COMPANY.

Date of Draft. 1908.	Drawn in Favor of.	Amount.	When Paid by us, 1908
March 28th.	Santa Cruz P. Cement Co. ....	\$10,000	April 13th
April 1st.	" " " "	25,000	" 28th
April 8th.	" " " "	15,000	May 13th
April 8th.	" " " "	19,000	July 13th
" 8th.	" " " "	20,000	June 15th
April 23.	" " " "	30,000	May 28th
May 4.	" " " "	10,000	" 13th
" 11th.	" " " "	5,000	June 15th
" 14th.	American Bridge Co. ....	20,000	" 15th
" 25th.	Santa Cruz Portland C. Co. ....	15,000	" 29th
June 15th.	" " " "	20,000	July 15th
" 29th.	" " " "	25,000	" 28th
July 13th.	" " " "	20,000	Aug. 13th
" 17th.	Allist Chalmers Co. ....	5,000	Aug. 13th
" 27th.	California Gas & Elec. Co. ....	10,000	28th
Aug. 1st.	Santa Cruz Portland C. Co. ....	30,000	13th
" 12th.	" " " "	30,000	Sept. 14th
" 25th.	" " " "	50,000	" 30th
Sept. 10th.	" " " "	25,000	Oct. 15th
" 17th.	" " " "	10,000	" 30th
" 19th.	" " " "	10,000	" 30th
" 19th.	" " " "	5,000	" 30th
Oct. 1st.	" " " "	20,000	Nov. 18th
Oct. 1st.	" " " "	15,000	Nov. 18th
" "	" " " "	15,000	Dec. 2nd
" "	" " " "	10,000	" "
" "	" " " "	10,000	" "
" "	" " " "	5,000	" "
Oct. 14th.	" " " "	25,000	" 15th

That is my signature on this letter which you hand me.

Mr. DUNNE.—I offer this letter in evidence.

Thereupon said letter was received and read in evidence and is in words and figures as follows, to wit:  
[271—115b]



(Testimony of John L. Howard.)

“San Francisco, Cal., June 22, 1908.

W. J. Dingee, Esq.,  
Crocker Building,  
City.

Dear Sir: Referring to your telephone message of this morning: You can send here for a check for \$15,000 which will be drawn to the order of the Standard Portland Cement Corporation, but which the distinct understanding that it is to be repaid not later than Thursday of this week. We will absolutely need the money during the last half of the present week.

Yours truly,  
JOHN L. HOWARD,  
Presd't.

JLH.”

WITNESS.—(Continuing.) As to what are the facts in connection with that matter, I do not remember further than that the letter states. I don't remember that now. This was not a loan from me or the Western Building Material Company of \$15,000 to Mr. Dingee; the check was drawn to the order of the Standard Portland Cement Company. It was one of those transactions that I explained to you that sometimes we anticipated payments; but I told you that we were exceedingly cautious in the office never to let the cement companies get into our debt up until October, 1908. This might have taken the shape of an acceptance. It is very much like the same transaction. We were helping him out in 1908

(Testimony of John L. Howard.)

or helping the cement company through him as those acceptances show.

I can identify this letter which you show me; I remember that, and I identify this other letter also. I remember that.

Mr. DUNNE.—I offer these two letters, Mr. Olney.

Mr. OLNEY.—No objection.

Thereupon said two letters were received and read in evidence in said cause and are in words and figures as follows, to wit:

Mr. DUNNE.—The first of these letters is written upon the [272—116] letter-head of the Western Building Material Company and is dated “San Francisco, September 13, 1907, addressed to Mr. Edward McGary, Vice-President of the Standard Portland Cement Corporation, Crocker Building, City,” and reads as follows:

“San Francisco, Cal., Sept. 13, 1907.

Mr. Edward McGary,

Vice-Pres'dt Standard Portland Cement Corp.,  
Crocker Building, City.

Dear Sir:

When last in the North the question arose, whether the lime rock on the four Riedle Claims purchased by Dr. Bachman contained precious metals, as was the case in some other Rock in the immediate vicinity.

If so, these lands filed on under the Placer Act might be located as Lode Claims by other parties.

At my direction samples were taken from various places by Mr. Davis, our local Engineer, and by Mr. Dingee's direction I have had them assayed by A. A. Hanks.

I enclose a copy of his report, and will send a copy likewise to the Company's Attorney, C. W. Howard, at Bellingham for such action as he may think necessary for the protection of the Northwestern Cement Company's interests.

Will you please send to Mr. Hanks your Company's check, in payment of his bill, which is enclosed.

Yours truly,  
JOHN L. HOWARD.

JLH."

Samples of Rock from each of the four claims located on the East half of the southwest quarter of Sec. 23, Township 40 North, range 5 East, as follows:

- Sample 1. Taken from lower west side of Olympia. Part of large surface rock.
- Sample 2. Taken from exposed ledge near center of Olympia.
- Sample 3. Taken from exposed ledge near the southeast corner of Olympia.
- Sample 4. Taken from exposed ledge near the northeast corner of Mt. Baker.
- Sample 5. Taken from the exposed ledge near the north central part of Mt. Baker.
- Sample 6. Taken from the lower west end of Mt. Baker from exposed ledge.

- Sample 7. Taken from the upper east end of Mt. Hood in the bed of a small stream.
- Sample 8. Taken from loose outcropping west of the center of Mt. Hood. [273—117]
- Sample 9. Taken from loose outcropping near lower west end of Mt. Hood.
- Sample 10. Taken from upper East end of Mt. Ranier from small outcroppings.
- Sample 11. Taken from small ledge on Mt. Ranier south of center where excavation was made for assessment work.
- Sample 12. Taken from the west central part of Mt. Ranier from small ledge and boulder where excavation was made for assessment work.

## CERTIFICATE OF ASSAY.

ABBOT A. HANKS.

San Francisco, Sept. 12, 1907.

Laboratory No.	Mark.	Gold.		Silver.	
		Oz. Ton.	Value.	Oz. Ton.	Value.
40181	No. 1	.02	.41	Trace	
40182	2	.04	.82	"	
40183	3	.04	.82	"	
40184	4	.02	.41	"	
40185	5	.06	1.24	"	
40186	6	.02	.41	"	
40187	7	.04	.82	"	
40188	8	.02	.41	"	
40189	9	.02	.41	"	
40190	10	.04	.82	"	
40191	11	.02	.41	"	
40192	12	trace	.41	"	

The second letter is likewise written upon the letter-head of the Western Building Material Company, and is as follows:

“San Francisco, Sept. 19, 1907.  
Messrs. Northwestern Portland Cement Co.,  
Crocker Building,  
San Francisco, Cal.

Dear Sirs:

Enclosed I send you the statement of account of G. C. Hyatt for \$851.75, properly receipted by him. This was recently paid by your check sent to my order.

I did not understand all the reasons and the mysterious moves of these lawyers, but there was an insistence that someone else should acquire Hyatt's title, and accordingly I named Joseph L. Schmitt, to whom Hyatt has made a deed, which has been recorded in Bellingham.

I will get a deed from Mr. Smith running to you and this you may hold without recording until that Northern atmosphere seems to be clear of trouble.

Mr. Howard of Bellingham also thinks that Mr. Schmitt should acquire my title, but as Mr. McGary is not familiar with all the twists and turns, I will be forced to give him a verbal explanation, rather than to write it.

Yours truly,  
JOHN L. HOWARD.

JLH.” [274—117a]

The WITNESS.—(Continuing.) The Mr. Howard of Bellingham referred to in those letters is Mr.



(Testimony of John L. Howard.)

C. W. Howard of Bellingham. First taking up the letter about assays, there were two tiers of land, one at the top of the hill and the 80 acres on which I filed immediately below it, on the steep hillside. The first tier of land must be fully 1200 feet up. What was known as the Reidle claims, which were bought for the company at Bachman's dictation were on the top of the hill. The 80 acres I filed on were immediately between the Zender farm and the Reidle 80 acres, touching both—running parallel with the valley. At the time we were there the country seemed to be full of what might be called professional jumpers. This land had been jumped twice and I remember that one set of jumpers was frightened off by Mr. Purdy or C. W. Howard, I don't know which. And another set hung on and we called on Reidle to make good the claim he made at the time he sold, that it was free from any kind of attack. I was finally compromised with him, I think, by the Northwestern Company paying \$1,000 and Reidle \$1,000 to clear up the business and that was the end of the trouble. During the time of jumping there was a fear that if precious metal would be found on the Reidle claims a new set of fellows might come in under a new phrase of the land act. So at the instance of Mr. Dingee during one of his visits he asked Mr. Davis, the engineer, to make some samples, and they were made and sent to me, and this is the report.

[275—117b]

The other letter has reference to the 80 acres on which I filed. The Reidles now are done with, you

(Testimony of John L. Howard.)

remember. That is the part etched in black. That land was also jumped, after I filed on it, by a set of professionals. I think that Mr. Howard of Bellingham was the author of the protective measure to file on it, I think, as a Placer claim in some other name, while I still held to my location. I never sympathized with that movement but Mr. Hyatt was the man who carried through that part of it; that phase of the business with regard to my 80 acres. I think he finally made a deed to Joseph L. Schmitt, who was treasurer of the Western Building Material Company, but all that work came to naught because I finally got the patent under my original location by fighting them out. In clearing up these various difficulties about the land up there, Mr. C. W. Howard was acting professionally; he acted as attorney for the Northwestern Company; he acted for whomever may have filed on those 80 acres also. As I say, he was the author of this protective scheme following my location for filing on it as a Placer claim. He acted for Hyatt too. I think he went also on trips to Seattle because I was connected with the concern and because I was connected with the 80 acres, he went into the land office and made some inquiries about it. The Northwestern Portland Cement Company bought 160 acres from Mansard. Mr. Evans paid that and drew for it. Then there were 160 acres from Peter Zender that I bought and the 80 acres from Reidle. Now, if I am correct, Dr. Bachman subsequently bought through the superintendent of the Bellingham Bay and British Columbia

(Testimony of John L. Howard.)

Railway some additional land. There was more than that, but I am not able to state how much more. I know it was discussed, but I am not sure, Mr. Dunne, whether he carried it out. He wanted to own the country so as to keep people from building near the factory.

I was a stockholder in the Western Calcium Company [276—118] which was organized in 1906 or 1907. Mr. Dingee and Mr. Bachman were stockholders in that company. Mr. McGary was not. That company did not issue any bonds. Its plant was at Davenport in Santa Cruz County. That company is still in existence, but is not actively operating. It dealt in merchantable limes, but is not producing lime now. I don't know that there was much promotion about this company—just the people who owned it agreed to form it. As to the extent of the holdings of Mr. Dingee, Mr. Bachman and myself in that company, Mr. Dingee had a one-quarter, Dr. Bachman had a one-quarter and I had a one-quarter and they said that the Santa Cruz Portland Cement Company would take a one-quarter. The purpose was when the Cowell Portland Cement Company started to build a cement plant it created a little vindictiveness in the minds of Dingee and Bachman that being in the lime business they were going into competition in the cement business; so Mr. Dingee and Mr. Bachman were ready to open up a lime plant and burn the lime that they used at their quarry in Santa Cruz and thus cut out their rival. The 160 acres that Mr. Evans drew on me for were the Mansard

(Testimony of John L. Howard.)

160 acres. He paid for it and then drew on me for the amount. My impression is he paid \$100 down for the option and \$3,900 finally to complete the purchase. I said this morning that I could not recollect whether my 80 acres cost \$2.50 or \$5.00. It was the Government price. I don't remember what it was. I think it was \$2.50. I think it was \$2.50. I was not sure this morning.

Mr. OLNEY.—\$2.50 an acre.

Mr. DUNNE.—All right.

Mr. OLNEY.—That is correct, Mr. Dunne.

Mr. BROBECK.—We have a letter here from Mr. Howard at which price named is \$2.50 an acre.

WITNESS.—(Continuing.) Six thousand dollars were paid for Zender's Farm and \$6,000 paid for Reidle's claims. Mr. Evans told me [277—119] that he had sold out to Balfour Guthrie & Co. along in 1904 or 1905 his interest in certain properties in the north. He came here to do it. Those properties were situated opposite on the other side of the valley from the Reidle properties. As to whether Mr. Evans, before making that sale to the Balfour Guthrie Company, made any stipulation in which Mr. Dingee's name was mentioned, my recollection is that at that time negotiations either had begun or were about to begin with the Balfour Guthrie people for the acquisition by Mr. Dingee of their property, and I am quite sure that Mr. Evans told me at the time of his sale that he made a stipulation that the property should go ultimately to Mr. Dingee—something to the effect. Mr. Dingee's name was men-

tioned. I took up the negotiations with Balfour Guthrie then in Mr. Dingee's behalf. The stipulation was substantially to the effect that Mr. Dingee should have the first right to purchase. The negotiations here referred to are those which we have referred to heretofore in the course of this examination as having failed. The parties disagreed.

Mr. DUNNE.—I offer in evidence the correspondence contained in the deposition of the witness, Mr. Howard.

Mr. OLNEY.—They may be considered read, if you wish.

Mr. DUNNE.—Very well. I simply can hand them to the reporter, and he can incorporate them in his notes.

Mr. OLNEY.—Yes.

The MASTER.—You wish them to occur in the transcript at this point?

Mr. DUNNE.—At this point, yes, while the witness is on the stand and at this point of his examination.

Mr. DUNNE.—I offer in evidence all of Mr. Howard's deposition beginning with line 1 of page 59 thereof, and running to line 13 of page 247 thereof; and in addition to that, also, a letter which was read into the body of Mr. Howard's [278—120] deposition and which does not appear in the collection of letters at the end thereof, to wit: The letter of March 4, 1908, which begins on line 24 of page 50 of said deposition and ends on line 24 of page 51 thereof. That letter was read out of its or-



der. I am reasonably sure that it was not repeated in the body of the correspondence.

Mr. OLNEY.—Yes, that is correct, but I would suggest that it come in its chronological order.

Mr. DUNNE.—Very well.

Thereupon said correspondence hereinabove mentioned, together with said letter of March 4, 1908, hereinabove mentioned, was received and read in evidence in this cause and is in words and figures as follows, to wit: [279—121]

“May 3rd, 1906. J.

Dear Mr. Howard:

Our mutual friend, Mr. Thomas, of the Vancouver Gas Company, has asked me to write and enquire whether you would have any objection to having a present made to the Western Fuel Co., and registered in their name, of two fully paid and non-assessable shares in the Nanaimo Gas Co. It appears that the Electric Light Company, which is run by water, and the Gas Company, which is run on your fuel, have been cutting rates for a very long time, with the result that neither of them is doing any good. The Gas Company have come to the conclusion that they must extend, and they propose investing an additional \$15,000.00 to put in a main to supply the Newcastle townsite, and they think if it gets known that the Western Fuel Co. are shareholders, the Electric Light people will imagine that the company are backing them, and, consequently, will be having to agree on uniform rates. Mr. Thomas tells me that the idea is not to charge exorbitant rates, but

simply ordinary, reasonable ones, and he further states that if this extension is made and an arrangement is arrived at with regard to rates, that the Gas Co. will still further increase; and I shall be glad if you will let me know what reply I can give him.

Needless to say, up here we are all much concerned at the terrible catastrophe which has overtaken San Francisco, and I sincerely hope that your personal losses, and those of the Western Fuel Co., except for the inconveniences to business and the temporary check of same, so far as coal is concerned, will not be very serious, and that the Company will be caused no embarrassment. I am also extremely sorry that you have been done out of your holiday, temporarily, as no doubt you want one, and I hope that you will be able to get things into shape so soon that you will be able to take a much-needed rest. [280—121a]

I wrote you, care of Messrs. Balfour, Williamson & Co., New York, about the Sumas Cement property, to the effect that Portland replied that they did not think it would be advisable, in the present state of negotiations, to start on fresh lines; although they seem to be quite anxious that you should discuss the matter with Mr. Robert Balfour, in London. I have heard nothing from them since you left, but presume that they are going ahead as rapidly as they can with the friendly litigation.

I am leaving here in a few days for Calgary, where I have some important business, and may take the opportunity of running on to Edmonton and Winnipeg, as I have never been through this country, and

just now I am not particularly rushed with work.

Yours sincerely,

John L. Howard, Esq.,

340 Steuart St.,

San Francisco, Cal.”

“WESTERN FUEL COMPANY.

340 Steuart Street.

Coal:

New Wellington.

Dunsmuir Wellington.

Comax.

Beaver Hill.

Coke,

Building Material:

Standard Portland Cement.

Red and Repressed Brick.

Santa Cruz and Alabaster Lime.

Marbleite Hard Wall Plaster.

Carnegie Brick, Terra Cotta and Sewer  
Pipe.

San Francisco, May 11, 1906.

Personal.

E. E. Evans, Esq.,

Vancouver, British Columbia.

My dear Mr. Evans:

I am in receipt of your recent letters, last dated  
3rd.

‘CEMENT.’ I have had one or two desultory  
conversations with Mess. Williamson & Lawson re-  
garding the Sumas Scheme. They talk as though  
that project might still be open, but said that there  
were some complications in connection with people  
on the other side, and these would have to be  
straightened out in London. [281—121b]

I told them that we intended having a plant there,  
that it would be better for all concerned if we could  
work together, but that I preferred not to negotiate  
the business with either Burns or Baillie as I thought  
I was not gaited to run with them.

To-day I have seen my principal friend who re-

turned last night from the East, and I am now prepared to take the matter up in earnest, and if necessary will go to London to see R. B.

I have asked A. B. W. to look in at my office on the way from the Depot to his house, where B. G. & Co. make their headquarters, and will have a *definite* talk with him.

If I get enough encouragement I will go to London, and should I succeed there you will find a 5,000 barrel plant erected by us before one can be built by McMillan.

If you have anything further to *lay* on the subject will you please write me under personal cover.

BRICK STOCK. I think I will declare an assessment.

Of course I have been incurring some indebtedness in getting the plant into shape for economically producing 100,000 Bricks per day.

With the present outlook for demand and prices I can speedily work it off, but while doing so dividends will be scarce, and if the debt be wiped out by a contribution of \$1.00 from the shareowners it will mean that profits will come sooner, and on a \$6.00 investment instead of \$5.00.

No one here would part with a share.

NANAIMO GAS STOCK: I knew that the Gas & Electric Companies had not been making money because we had been carrying both, and I wish I had received your letter sooner, for I met Mr. Hunter here last week, and might have been effective in patching up a peace on rates.

In our country the history of all such cases has

been that the Local Gas and Electric Companies have gone together.

Why can't a new Company be formed in which each of the two [282—121c] should take a share interest based on some proper appraisal?

If I go East vis Nanaimo, I might see if that be not possible, and at least will discuss with you the point brought up in your letter.

We have escaped loss wonderfully. None of our Bunkers or property were affected, but until to-day when we opened the office vault, we dreaded the destruction of our office records.

Happily the Ledger and Cash Book were found practically intact, and now we can readily establish our debit and Credit status.

The general destruction of chimneys prevents the use of coal, and we are sensibly affected in the volume of the coal trade but I think we will fully make that up in our Building Materials.

When I added these lines to our business, I had not idea of the value which has now been given to them.

CEMENT. We are getting 2,000 barrels per day.

July 1st this will increase to 3000 barrels.

November this will increase to 9000 barrels.

May 1/1907 this will increase to 12000 barrels.

RED BRICK.

100,000 from June 1st.

LIME.

25,000 barrels per month from June 1st.

PLASTER.

4/100 tons per month from June 1st.



and any quantity of Face Brick, Fire Brick, Sewer Pipe and Terra Cotta.

You see we have a larger equipment and variety than any concern in the State.

Yours truly,

JOHN L. HOWARD.

JLH." [283—121d]

“WESTERN FUEL CO.

318 California Street,

Telephone Private Exchange 558.

San Francisco, May 11, 1906.

E. E. Evans, Esq.,

Dear Mr. Evans:

Since writing you A.B.W. has called. I told him my scheme contemplated the purchase of the property and of course he and his friends could have the privilege of subscribing for the bonds getting \$2.00 in stock as bonus.

He seemed very solicitous about their firm's future in connection with the cement trade in the North. I told them that if the deal went thro' I would push to be Presdt; the Western Fuel Co. would be selling Agt. and B. G. & Co. could be made distributors and that this was as good a guarantee and as strong a position as I could promise.

They startled me with the news of poor Binny's suicide yesterday and under the feeling that one of the Seniros may come out from England the discussion is temporarily postponed until Cable news reaches them. If necessary I am prepared to go to England at once and if I am able to shake hands with

them you will see a factory put up in less time than it has taken them to consider it.

Yours truly,  
JOHN L. HOWARD."

"87 Vernon Street.

Oakland, California, May 13, 1906.

E. E. Evans, Esq.,

My dear Mr. Evans,

If our friends B. G. & Co. can see their way clear to do business I am now in position to talk to a point & *to build a factory* of 5,000 bbls. capacity. The sticking points with them here seems to be that the proposal requires them to sell out, that they are not sure of their future position in the cement market to assure which was their reason for embarking in this scheme and some kind of complications on the other side in which outside parties are interested.

As to their relation to the new concern, I told them we would buy the property and give them opportunity to subscribe for bonds with the share bonus.

That the W. F. Co. would be the selling Agent of the new Company and I wanted if possible to get into position to be Presdt. and in such circumstances I told them that I could arrange the distribution through them. That was as much as I could promise, and that was going a long way.

That if needed I was willing to go at once to London to see R. B. and see if the complication could not be straightened out.

I was not greatly encouraged in this latter respect, that is, it was said that if I were going on other business, it might be well to take it up, but they did not

think it worth while that I should go especially for such purpose. [284—121e]

It was finally suggested that in view of Binney's death R. B. or A. G. might conclude to come here immediately and that it would be better to await cable advices from them. I am waiting, but I can assure you not very patiently.

If they will give me the option on the property they know or they ought to know that their and your interest would be as well cared for as by any one of their acquaintance.

If you feel disposed to help along my negotiation in any way that you can see open I will feel obliged.

Yours truly,

JOHN L. HOWARD.

I think I can make some money for both of you."

"May 15th, 1906. J.

Dear Mr. Howard:—

Thanks very much for yours of the 11th inst.

Cement: All that you write is most interesting, and I have taken the liberty of sending on, both to Burns and Baillie, extracts from your letters, and have written Baillie as per copy enclosed. I presume that A.B.W. is in correspondence with Burns; consequently, I ought to have something definite within a few days. If I cannot get anything definite, I shall put it up to them either to buy us out or we buy them out.

You will see from the copy of my letter to Bailie that McMillan has sold out his interest in the Roche Harbour concern, for, I understand, \$800,000.00. This information was given to me in strict confi-

dence and I absolutely rely on your not divulging any information that I give you. I understand that the Portland capitalists are Ladd & Tilton, Spencer Newberry having examined on their behalf. I cannot recollect the names of any of the San Francisco people, except that Gould's name was mentioned, and some very influential banker down there, who, I believe, was mixed up with Dingee in the Standard Company, and sold out. Among the New York group of capitalists is Mr. J. Rogers Maxwell, President of the Atlas Cement Company, and the Central Railway of New Jersey. Mr. Butchart met all these people at Roche Harbour, and took them over to his place. They all went down to San Francisco to finally close the deal; and when Mr. Butchart returns from Calgary, he *is* ~~be~~ furnished with details and given the chance of getting in on the ground floor, personally, as he worked very hard to get his Toronto friends to buy the property; but they thought the price was too high, and another thing they did not like buying only part of the property with the probability of having a lawsuit with Cowell. Butchart seems to think that they will be able to lay cement down in San Francisco just as cheap as either of your concerns; but his calculations as to steamer freight, in my opinion are ridiculously low and impracticable. His estimates of the cost of taking the cement from Roche Harbour to Seattle &c are also too low.

Brick Company: I note that you will probably make an assessment of \$1 per share for the purpose of putting the concern into first-class financial shape,

and in this I think you are very wise.

Nanaimo Gas Company: I note all you write with regard to this, and the first opportunity I get, will take the matter up with [285—121f] Mr. Thomas.

Western Fuel Company: It is very gratifying to hear that the losses to the company's property have been practically nil, and I sincerely hope that the losses on outstanding accounts will also be comparatively small, but presume that they will take a long time to collect.

I take it, from the tone of your letter, that you have not abandoned your European trip, and hope that we shall have the pleasure of seeing you, if you go via Nanaimo.

Yours very truly.

John L. Howard, Esq.,  
San Francisco, Cal."

“WESTERN FUEL COMPANY.  
340 Steuart Street.

“Coal:  
New Wellington.  
Comax,  
Beaver Hill,  
Coke,

Building Materials:  
Standard Portland Cement.  
Red and Repressed Brick.  
Santa Cruz and Alabaster Lime.  
Marbleite Hard Wall Plaster.  
Carnegie Brick, Terra Cotta and Sewer  
Pipe.

Confidential.

San Francisco, Sunday May 20, 1906.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans:

On my return yesterday, I received your telegrams May 16th and 18th, to which I replied as enclosed.



Since then I have your telegram of May 19th and letter of 15th with enclosure.

In my last interviews with Messrs. Williamson and Lawson, I told them, as I think I told you in Vancouver, that in this matter it was proposed to follow the plan of the Santa Cruz Company.

Share capital will be, \$5,000,000.

Bonds authorized, \$2,000,00 at 6%.

Bonds to be issued, 1,000,000 and these will carry a share bonus of \$2,000,00.

Balance of shares will go to promoters.

The proceeds of sale of bonds will be scrupulously devoted to the construction of a 5,000 barrel plant, estimated to \$1,000,00 balance of bonds will be held in treasury for expansion if needed.

The Santa Cruz Company's shares are now worth \$40/50.

Standard Portland Cement Company at Napa Junction was put through, viz.: [286—121g]

\$500,000 Bonds

2,000,000 shares.

Bonds carried \$1,000,000 of stock.

Out of earnings the plant has been increased.

Dividends (now 75¢ per month) have been paid for a year.

\$80,000 of bonds have been retired, and shares are now worth \$125.00.

As to Sumas scheme, we expect to subscribe for the bonds as will others, and while the property and plant will represent the bonds, the promoters' shares cannot be made valuable without giving equal value to the bonus stock, and this value will depend upon

the earning power of the concern, and that is largely dependant upon the management.

Without Dr. Bachman, I would be loth to undertake the project; with him I do not hesitate, for I am of the opinion that he has no superiors in the business, and few if any equals.

This is based on three years' experience in the harness with him.

Now, I offered you in cash more than your property has cost and an equal amount in bonds that carry shares, and you cannot say that as a mere investment it will not be a good turn for you and your friends.

At the same time you and they may join us in a bond subscription if you so desire.

I think this is the only combination that can face the new syndicate that is being organized by Frank L. Brown who lives opposite my home, and who recently told me that they would probably take up the Roche Harbour project.

Napa Junction factory now producing 2000 barrels per day. Will increase July 1st to 3000.

Santa Cruz factory will product 6000 barrels by December 1st, and Dr. Bachman is now in the east contracting for machinery to doubt that capacity by May 1st next.

If McMillan or Burtchart think they can break into our lines they will have to make and transport cement cheaper than we can do it.

Whether or not we take up the Sunas project, we will have a plant on Puget Sound, and before any other new plant can be built there.

Early decision on Sumas scheme is therefore important.

As soon as negotiations are closed, if they are closed, I am prepared to go north to look into all matters connected with the exercise of the option, and to get ready for business. [287—121h]

#### WESTERN FUEL COMPANY:

Our building materials department promises to so outstrip the coal feature of our business, that for better indication in the name, the better handling and financing, I am about to form the Western Building Materials Company to take over on July 1st, the Western Fuel Company's contracts on these lines, and carry on this part of the work independently. The outstandings of Western Fuel Company when collected will put it squarely on its feet, and I will start the new concern without working capital, but on the President's check and his Bank's assistance, letting the profits accumulate until they will take care of its outgo without banking assistance.

This I have done with the Howard Company, Western Fuel Co. and the cement account.

The Western Fuel Company will be the only share-owner of the new concern, and I'll make it win.

#### BRICK YARD:—

I will levy an assessment. Instruct B. G. & Co. to pay for your account when I call for it, *but not before*.

Yours truly,

JOHN L. HOWARD.

JLH."

“WESTERN FUEL COMPANY.

340 Stenart Street.

Coal:  
New Wellington,  
Dunsmuir Wellington,  
Comas,  
Beaver Hill,  
Coke,

Building Materials:  
Standard Portland Cement.  
Red and Repressed Brick.  
Santa Cruz and Alabaster Lime.  
Marbalite Hard Wall Plaster.  
Carnegie Brick, Terra Cotta and Sewer  
Pipe.

Confidential.

San Francisco, May 21, 1906.

Ernest E. Evans,

Vancouver, British Columbia.

Dear Sir:

I have your telegram of date to which I reply:

‘Will buy half interest at price named without further examination. Confidential letter in mail covering other points.’

This means that if we buy and pay for Balfour, Guthrie & Co.’s interest, then as sellers they would have no interest in the proposed scheme. If, as intending investors they would like to take bonds with a share bonus, then if the project commended itself they would be at liberty to invest. [288—121i]

I am not sure that we would not prefer to buy the property outright, but in the present condition of things here it is quite difficult to get together in a hurry, but that would eliminate all questions about capitalization.

At any rate I believe in the scheme, and am willing to propose it to Western Fuel Company, to invest in it myself, and if my friends want to follow me, and many will want to do so, I can place my portion of the bonds.

The parties tackling this project are not novises.

Yours truly,

JOHN L. HOWARD.

JLH."

"May 21st, 1906. J.

Dear Mr. Howard:—

Cement Property.

I wrote you last on the 15th inst., since which I have yours of the 13th, and confirm my telegrams of the 16th and 18th, the former advising you of McMillan's sale, in case you had not heard of it, and in case it might affect your *programme*; the latter asking whether in the event of my being able to get the option to purchase B. C. & Co.'s interest for \$55,000.00 you would buy. The reason why I asked this was, because late on the 17th inst. Tacoma called me up *bu* phone, and although I could not hear over the wires distinctly, I understood that they were willing to deal with you, without any strings as to agency or would give us the option of selling out to them, or our buying them out, for \$50,000 and I wanted to be in the position to 'Call' them. The reason I mentioned \$55,000 in my telegram was, because a bonus of this amount, in shares, has been promised Mr. Reidle, the prospector we employed, and nothing *had* been said about it in the conversations; but my intention was, in the event of anything being done, only to charge you exactly what I paid.

On the 19th inst. I received a letter from Tacoma, dated 17th inst. copy of which I enclose and which explains itself. Later in the day I received your telegram making the definite offer, which was quite



clear, except that you said nothing about watered stock, and whether the bonds were to be sold at par; however, I immediately passed this on, by wire, both to Tacoma and Portland, adding the following:

‘Referring foregoing, consider are under no obligations Norths, and for our part have decided accept Howard’s offer, but if you proceeding English flotation we will sell out for \$75,000 cash. Please put us in position. Reply Howard Monday. If wish will meet you Tacoma or Seattle early on Monday.’

And on Sunday I received the following telegram from Portland:

‘Disposed negotiate Howard ourselves, have wired Frisco ascertain full particulars.’

This annoyed me very much, as I distinctly understood over the telephone that if you made a definite offer, as you did, they [289—121j] would at once cable to London and stop negotiations, and I am now trying to get Tacoma by telephone, asking for an explanation.

I duly received your telegram this morning, stating that you will buy the other interest for \$55,000; but as when you were here last, in course of conversation I understood you to say that before definitely committing yourself you would want to see the property yourself, I took the precaution of asking you, by telegram, before making the offer, whether you were perfectly satisfied with the property without examining it, and now await further.

As to the obligations to Norths,—As a fair-minded man I consider that there are none, except that they

should have the chance of coming in in the proposed new company on the ground floor, i. e. taking up bonds and getting bonus shares to a certain amount, to which I presume there would be no objection.

Yours faithfully.

John L. Howard, Esq.,

San Francisco, California."

"Oakland, 4th June, 1906.

dear Mr. Evans:

I trust that you arrived home in safety on Sunday as you planned. This is Monday P. M., and as yet I have not seen nor *hear* from any of my friends on the Sumas or on any other matter.

Perhaps they have located Col. Moles and are not now inclined to deal with me. Meantime our own parties remain in the field in Wash'n.

Doubtless you saw where the Cowells had secured an injunction against McMillan's disposal of Roche Harbour property.

Spent Sat'y P. M. at Brick Yard. Construction work is happily nearing the end, and will be finished during the month. Building operations have not yet really begun, and I think that generally they will be slower than many anticipated.

Yours truly,

JOHN L. HOWARD."

"Sunday, Oakland, June 10, 1906.

Dear Mr. Evans:—

In sending you the 'strictly confidential' telegram of yesterday and in writing this letter I am not breaking either a promise or a confidence, but I trust you will regard the injunction as at last parting we

agreed to post each other in so far as we could consistently do so.

On Friday P. M. I had a call from Mess. Bruce and Williamson, but before we could get down to discuss the Sumas scheme, a visitor came in, preempted a chair and 'sat out' the callers. [290—121k]

They sent their auto for me on Saty. A. M. and I spent an hour in their new office. There seems on the surface to be only one question, that of price for the property. I inferred that London had given some sort of discretionary power, and was informed that the price offered was too low, at the same time was asked what was the most that my friends would pay. I replied that the property was theirs to sell, that in my opinion if they had discretion they should exercise it, if they hadn't it might be well to cable and get a price that when they named it to me it should be an ultimatum and for us to accept or decline, and thus end the business. They were to cable in expectation of a reply on Monday before A.B.W. starts for Yosemite in the P. M.

I told them frankly that one of my two associates was in the east, the other I had seen for only a few minutes since my last interview with them, and that pending their having something to communicate that was definite, I did not want to run back and forth between the parties in interest like an errant boy.

The interview was pleasant enough, but I intend starting north as soon as I can shape things.

If I conclude with them as to Sumas, I will go there, otherwise, I will see what has been found by

370    *Standard Portland Cement Corporation*

the people that have been in the field.

The agony will be ended quickly after getting their reply, and I trust that they will not raise that price.

Yours truly,

JOHN L. HOWARD."

"WESTERN FUEL COMPANY.

340 Steuart Street.

Coal:

New Wellington.  
Comax.  
Beaver Hill.  
Coke.

Building Materials:

Standard Portland Cement.  
Red and Repressed Brick.  
Santa Cruz and Alabaster Lime.  
Marbalite and Hand Wall Plaster.  
Carnegie Brick, Terra Cotta and Sewer  
Pipe.

San Francisco, June 15, 1906.

E. C. Evans, Esq.,

Vancouver,

British Columbia.

Dear Mr. Evans:

I am just in receipt of your letter of June 11th. On Monday last I briefly replied to B. G. & Company declining their offer, and considered that the end.

To-day I had a visit from Mess. Bruce and Lawson. They spoke of the brevity of my note, and renewed their offer of

\$150,000 cash

\$150,000 bonds.

\$300,000 stock. [291—1211]

which they said was about equal to what the property would net them under the English deal.

That they were not through with the complications in Europe and might have to settle with some of their associates, and that the property was worth

what they asked for it, and that our nonacceptance would force them to go on with their company and into the manufacutre.

They told me that they now controlled your interest. When I remembered that they paid you on basis of \$130,000 which meant a cost to them of about \$90,000 that you told me their English scheme was

Capitalization,           \$1,000,000,

Property worth           150,000,

they to get a bonus of \$100,000, of which they were to give \$25,000 to Mohls, and, as you throught, presumably would retain the balance, I failed to see how they were sacrificing much, inasmuch as they insisted on a subrogation by us to them of our selling contract.

If they intended going ahead, it seemed to me unnecessary to negotiate further.

If they intended selling, then I think I told them enough to make it positive that their views could not be met, and they should not insist on prohibitory terms.

Great stress was laid upon their position and ability to sell on Puget Sound against all competitors.

At any rate I start tomorrow night for the North, and among other things will look at your property if it be ready for inspection. We will have a factory and take our chances with them.

Yours very truly,

JOHN L. HOWARD.

W.

JLH."



“June 20th, 1906. J.

Dear Mr. Howard:

I wired you last night that our prospector turned up here yesterday afternoon. He does not appear to be at all impressed with the Rockport district, and the property he had in view turned out to be about two and a half miles from the railway, through very difficult country. He stated that the limestone property which almost adjoins the Kendall property, is very desirable in every way, and when he was in Bellingham, about a week ago, he arranged with a friend of his who is well acquainted with the owners, to work quietly for a bond for thirty to forty-five days, and on his arrival at Kendall to-night about six o'clock he expects to be handed the bond, in which case he will telegraph me, [292—121m] and I will telegraph you, and you can come over on Friday morning, as arranged. He has also sent up two prospectors to Boulder Creek, so probably you had better be prepared to spend Saturday night, and possibly Sunday night, up in that district, as no doubt you will want to take in the whole situation.

I shall be pleased if you will spend Friday night at my house: I am a grass widower just now. You can decide as to whether you will do this, or stop at the Hotel, when you come over.

Very truly yours,

John L. Howard, Esq.,  
Nanaimo, B. C.”

“Nanaimo, June 25/06.

Dear Mr. Evans:

Dr. Bachman will leave on Tuesday P. M. for Vancouver. This means Thursday night at Seattle and

Friday at Vancouver. I will go over on Friday A. M. Boat and will wire Dingee to have Taylor instruct R. R. Supt. to have gasoline motor at Sumas on Saty. If I wire you that Dingee has made the arrangement can you take up the details by phone with the R. R. Supt. and have the motor at Sumas on arrival of C. P. R. train even tho' it may have to be sent up the night before. The question of the little extra expense, if there be any, cuts no figure.

Advise me what word you get from Reidle.

During my absence our friend Stockett is enthused up to the fusing point over the prospects of our timber.

Many thanks for all courtesies shown me during my stay with you.

Yours truly,

JOHN L. HOWARD." [293—121n]

“WESTERN FUEL COMPANY.

Miners and Shippers of  
New Wellington Coal.

Nanaimo, B. C., June 26, 1906.

Office of the Manager.

Mr. Ernest E. Evans,  
Vancouver, B. C.

Dear Sir:

To your wire about Reidle. I asked Dingee to have Taylor wire Supt. of R. R. place Motor Car at my disposal, and he replies today:

Doctor leaves tonight—Taylor wired Supt. railroad as follows:

Upon receipt of telegram from John L. Howard,

place at his disposal extra trains (sic) and extend every courtesy possible.

I have written Supt. that my friend is due Vancouver Friday, and that if his R. R. connections place him there on time, I would leave Vancouver Saturday A. M. for Sumas, asking that the Gasoline Motor be there to take us promptly to Kendall and that I would wire him definitely on Friday.

Now you will know how to reply to Reidle.

I will see to it that the Motorneer doesn't go away and leave us again.

Yours very truly,

JOHN L. HOWARD."

"June 27th, 1906. J.

Dear Mr. Howard:—

After writing you yesterday, I received yours of the 25th and am just in receipt of yours of the 26th inst.

I telegraphed Reidle yesterday, asking whether he could arrange to leave Portland by the 6:30 A. M. train on Friday, which is due at Seattle at 4:30 P. M. and then catch the train at 4:35 from Seattle arriving at Vancouver at 10:30 P. M. same night, and meet us [294—1210] at the C. P. R. station here at 7 o'clock on Saturday morning. He replies as follows: 'Will be there on time, as wanted.'

I telephoned to Mr. H. B. Paige, Superintendent of the Bellingham Bay & British Columbia Railway, who states that he has instructions from San Francisco to follow your orders with regard to the motor.

If Dr. Bachman arrives at Seattle on time on Thursday afternoon, he could catch the 4:35 P. M.

Great Northern train from there, arriving at Vancouver at 10:30 that night; but if he misses this, he will have to leave Seattle either by ss. 'Ramona' at 10 P. M. for Vancouver direct, or by the Great Northern morning train, arriving here at 3:45 P. M., as the 'Princess Victoria' lays over at Victoria on Thursday nights, for her weekly overhauling.

On your arrival on Friday morning, if I am not down at the boat to meet you, you had better hand your bag to a transfer man, and have it sent up to my house, 1075 Harwood Street.

Yours very truly,

John L. Howard, Esq.,

Nanaimo, B. C."

"July 4th, 1906. J.

Dear Mr. Howard:

I must apologize for having forgotten to telegraph Mr. Stockett yesterday that you were going over on the boat. The fact of the matter is, after leaving you I went up town and intercepted by one man and another, so that I quite forgot about telegraphing until about 4 o'clock, when, of course, it was too late. I trust you were not put to any inconvenience.

I saw Mr. K. Burns, the Agent of the Great Northern Railway Co. here, with regard to the rates the Railway Company had promised the Washington Cement Co., in the Skagit, and he has written a personal letter to Mr. Adams, the General Freight Agent [295—121p] at Seattle, asking him to let him know what these rates are, and he expects to have a reply in the course of a day or so.

Last night, about 10:30 Reidle rang me up from

Bellingham, stating that Mr. Ross, the Right-of-way Agent for the Electric Company, and also for the Northern Pacific Railway Co. in the Sumas district, was with him, and that he had spoken to him with regard to the claims which Van Balkenburg has under option, stating that this gentleman had considerable influence with the settlers in the district, and was much respected, and that he was willing to do all he possibly could for us. Mr. Ross came to the telephone and I told him that the claims were not absolutely necessary to us, but that if we solved the questions of power, rates, fuel, etc., we would take them, at a reasonable price, but that \$12,000.00 was altogether out of the question. He stated that he would be in Sumas this morning, and as he knew Van Balkenburg quite well, would sound him as to the exact position, and let me know the result. My idea is that when Van Balkenburg finds out that Maney is of no standing, he will be only too anxious to try and make a turn elsewhere, rather than lose his commission, and it may be advisable to use him. In the meantime, as already advised you, Reidle has sent up three men to jump the claims, and to do some work, and he expects to have something definite by Thursday, when, if it is necessary, I will go off to Bellingham by the 4 o'clock train that day, or will take the morning train on Friday.

Yours faithfully,

John L. Howard, Esq.,  
Nanaimo, B. C.

I find Maney is the contractor for the dam on the



Skagit, which has gone out twice, and I fancy is a friend of McMillan's." [296—121q]

“July 3d, 1906. J.

Dear Mr. Howard:—

I received a telephone message from Reidle this afternoon, stating that representatives of the owners of the Lime ledge, had come down, and that they were prepared to sell, and that their price was \$12,000.00, ten per cent down, and the balance as soon as the deeds were made out. Under the circumstances, my opinion is that we should let them rest for the time being. In the meantime, Reidle has direct proof that only \$250.00 worth of assessment work has been done on the claims, whereas \$900 worth should have been done and he has sent up three men to jump the claims, or re-stake them in some other names, and do some assessment work, as he feels sure that by taking this action the owners will only be too pleased to sell on reasonable terms, rather than take the risk of a suit; and anyhow, my opinion is, that if the proper amount of assessment work has not been done, it would be advisable to make a fresh application, so as to prevent anybody else interfering. Reidle stated that Reid and a friend of his are quite willing to sell out on a basis of \$8,000, but that the other partners want \$12,000.

As promised, I enclose copy of letter from Mr. London, dated St. Paul, September 15th last, to Balfour, Guthrie & Co., Portland.

Yours very truly,

John L. Howard, Esq.,

Nanaimo, B. C.”

“WESTERN FUEL COMPANY.

Miners and Shippers of

~ New Wellington Coal.

Nanaimo, B. C. July 4, 1906.

Officer of the Manager.,

Ernest E. Evans, Esq.,

Vancouver, B. C.

Dear Mr. Evans:

Late this afternoon I am without the expected wire from Dr. Bachman, although it may yet come.

After you receive this could you get into communication tomorrow with Reidle, and see if he could, without prejudice to the cause, leave Bellingham on the noon train, and ride back with me from Nanaimo to Bellingham so that if a plan of campaign must be laid out, it can be arranged deliberately and not under pressure for want of sufficient time.

I infer that the raise from \$7,400 to \$12,000 is upon our assumed anxiety to get that property and the Syndicate with their option holder may get a fooler. It isn't quite clear to me why on top of this raise Reidle restakes and commends development work, unless it be to hold the thing level until the Sumas Option expires July 15th, and then treat with the original on the basis of \$7,400. At the latter price, with the atmosphere cleared of difficulty, there will be no trouble about the price or the assessment work.

Yours very truly,

JOHN L. HOWARD.” [297—121r]

“July 11th, 1906. J.

Dear Mr. Howard:

For your guidance, Reidle turned up in the office yesterday about 4 P. M. and appeared somewhat excited. It seems a Mr. Copp, from Balfour, Guthrie & Co.'s Tacoma office, arrived at Bellingham, on yesterday morning's boat, and immediately hunted Reidle up, to endeavor to find out what you were doing. He found out that you had bonded Zenda's farm, and had also made application for a Timber claim. He then went up with Reidle to Dorr & Hadley's office to ascertain if they knew anything, and to get rid of him Reidle told him that he was going to Vancouver to see his sister in law. This morning when I arrived at the office, Mr. Copp was here, and he stated that Patullo, of the Tacoma office, had sent him up to Bellingham to find out what you were doing, and also to come and see us. He stated that he heard you had bonded Zenda's farm, and applied for a timber claim, and were negotiating for limestone properties which were under bond to Mr. Maney. He appears to know nothing about Reidle's claim. I told him that we had nothing to disguise, that I had written Mr. Burns some time ago that I had taken you over their properties, and about ten days ago Dr. Bachman went over them, also to see the limestone claim under bond to Maney. He states that he cannot understand why you bonded Zenda's farm, except there is some lime on it, or that you think it desirable that the property should be included in Balfour's property. He questioned me very closely about the Maney property, but I told him you had

refused to buy it, and he is going away today, having made up his mind that when you return to San Francisco you will reopen negotiations with them. He states that Reidle confirmed the information about the Zenda farm, and the time claim; but apparently he has said nothing whatsoever about his own limestone claim.

Reidle states that he fears it will be almost impossible at this season of the year, to get a reliable engineer to do the work you instructed him to have done, and he wanted permission to send Zenda up to cut the lines, so that he could go home to Portland; however, I told him that this would not suit, that he must get hold of an engineer and have the work done, as instructed, under his supervision.

Apparently, the old fellow thinks he has done something he ought not to have done, in disposing of his claim.

Very truly yours,

John L. Howard, Esq.,

Nanaimo, B. C."

"July 18, 1906. J.

Dear Mr. Howard:

I received your telegram about 11:15 asking me to telegraph if the engineers' survey had located the lime deposit on Reidle's 80 acres, and immediately replied that I had not had a word from Reidle or anybody else since you left, although I had written and telegraphed him. I waited until 11:45 and telephoned through to the Byron Hotel, to see whether Reidle had arrived by the morning train, and was fortunate enough to catch him. He [298—

121s] advises me that the engineers have not only located the line on his property, but have located (judging from Reidle's explanation) identically the same ledge on your property, 250 feet below his line. He also states that they have located also on your property, a very large ledge of shale, which they estimate to be about 150 ft. wide, the quality of which he states *if* apparently good. The engineers have completed the survey for a twelve per cent grade trail up to his claim, through yours, and are now preparing maps showing the various *edges*, which will be ready some time tomorrow, and Reidle hopes to be able to bring them up by the train arriving here at 4 P. M.

This information, no doubt, will be very encouraging to you, but I presume it will make no difference in the application for the land, as, of course, you were quite unaware, when you made the application, that a ledge was there, although, of course, it was only reasonable to expect that it was.

Reidle states that owing to this discovery, there is no necessity whatsoever for taking up Austin's land. He also states that Van Volkenburg has secured a 60 days' extension on his option on the other claims.

Percy informs me that Pattullo went away on Sunday with the idea that you had simply taken up Zenda's farm, and made the application for the timber claim, as a safeguard, and he quite thinks that you have returned to San Francisco to renew negotiations with them.

Just after my conversation with Reidle over the phone, I received the enclosed telegram from him,



which was sent before the conversation took place.

Yours very truly,

John L. Howard, Esq.,

C/o Western Fuel Company, San Francisco,  
California.

Work will be commenced on the trail on Monday—  
labor is scarce on a/c of cutting hay.”

“WESTERN FUEL COMPANY.

San Francisco, July 19, 1906.

Ernest E. Evans, Esq.,

Vancouver, B. C.

Dear Sir:

I was very glad by the receipt of your long telegram of date, saying Surveyor had located lime ledge on the land bought from Reidle, also lime and shale on my 80 acres 250 feet below Reidle's line.

I presume the after-discovery of lime on land, upon which I filed for timber, will not endanger my position in that matter through permitting any of those smart Alecks to file on it for stone and timber or placer or lode claims.

This whole land business is so full of sharp turns that one may never feel absolutely safe unless he holds the U. S. Patent. I may conclude to wire you on this point.

Yours truly,

JOHN L. HOWARD. [299—121t]

JLH.”

“WESTERN BUILDING MATERIAL COMPANY.

340 Steuart Street.

Cement.

Brick.

Lime.

Terra Cotta.

Plaster.

Sewer Pipe.

Roofing Slate.

San Francisco, Cal., July 20th, 1906.

Ernest E. Evans, Esq.,

Dear Mr. Evans.

Please respect my injunction not to show or to divulge the contents of this letter to any one.

Today I met Dr. Bachman, and recited my doings in the north after he left us. He is pleased at your latest news regarding the finding of rock on my timber claim, but is greatly disappointed at the outcome of the talk with the power people, and I have again advised that he consider a steam plant and before contracting for it, when he next goes East, to visit Stone & Webster's Boston headquarters, and thresh the question out with the principals and drop these indefinite subordinates. I think he will do this.

Respecting the 12 forty acre pieces belonging to Anderson. I told him that Reidle reported to you the probability of Horsts getting an option on Monday on the 480 acres for \$2,500, and because it involved the expenditure of so little money, I advised its purchase. He agreed.

If, therefore, Horst succeeds in getting the option at this price, and Craven finds that the properties are free of incumbrance, you might purchase in the

name of Irving A. Bachman, and draw on me, and it may be well to pursue the same course that we did in the Zender matter by escrowing the deed and the money until publicity will be harmless.

Mr. Dingee will leave New York on Friday and will return on Tuesday. Either on that day or on Wednesday, Dr. Bachman will come down from Napa, and there will be a joint meeting.

The Doctor told me that the corporation was organized and ready for business. 'Puget Sound Portland Cement Co.' and that the publication was made on Saturday last.

He outlined the plan, but until I see Dingee, I cannot tell whether it was decided upon at their last meeting or whether he has it ready for submission to Dingee on his arrival. It is this:

Bonds authorized, \$2,000.00.

Stock authorized, \$5,000.00.

Factory, if equipped with steam plant, will cost \$1,500.00. In that case, it is proposed to sell \$1,500.00 bonds, and give as a bonus \$1,500.00 in shares.

This will leave \$3,500.00 for promoters, and of this my allotment will be \$900,000, provided I underwrite \$300,000 in bonds. [300—121u]

If I elect not to underwrite, then my allotment is to be \$600,000. This does not exactly agree with the spirit of my conversations with Dingee whose return I will await, and it is a change of plan from a bonus of 2 to 1 to 1 to 1.

I am expected out of my share to take care of you, and this I will do cheerfully when the deal is finally

closed, and at my next meeting with you, Bachman's explanation of this 1 to 1 plan is based on recent experience in floating Santa Cruz now selling at \$72.00 and Atlantic which he says he is buying at \$25 and that this bonus is big enough to carry the scheme.

What made me think hard when the proposal was made to me was that as I understand Dingee, I was to share alike with him and Bachman. The difference between the \$900,000 and the one-third of \$3,500,000 in certificates whose value must be subsequently determined, is not so fatal when one is dealing with such large figures, but I didn't like the condition attached that I underwrite \$300,000 of the bonds or take less.

However, I will thresh out these not all important points with Dingee alone.

I carried out my contract in the Santa Cruz scheme, and underwrote as many bonds as any of them. What I wanted done was that if there was any obligation to anyone such as there is to you, then these obligations should first be cancelled by taking out of the total promotion shares and splitting the balance, but I'll not quarrel over these details.

Now, assuming that Bachman's proposal should be the one finally accepted, and that I should undertake to place \$300,000 of the 6% bonds carrying a bonus of \$300,000. Do you want any, and if so, how many?

Bachman proposes insofar as he is concerned, to put his bonds and shares away, and not to let any out until the demand shall naturally make a market, then in so far as he is concerned he will sell bonds cutting down the bonus to not more than five shares and

gradually reduce it until he will obliterate the bonus. This he says he is doing with the Atlantic Company now.

When writing, please express to me your views as to how many bonus shares you think I should give you.

I have not yet seen any of the Balfour, Guthrie & Co. people, but understand that there are some evidences of displeasure.

Yours truly,  
JOHN L. HOWARD.

JLH/EGOL."

"Personal Copy for Mr. E. E. Evans.

WESTERN FUEL COMPANY.

San Francisco, July 20th, 1906.

Mess. Schofield Construction Co.,

San Francisco, California. [301—121v]

Dear Sirs:

I am associated with some parties who contemplate the erection of works in Washington requiring the constant use of 600 electrical horse power.

If they proceed they would guarantee to pay for 4,000 H. P. but will need the greater quantity.

While in Vancouver, I was introduced by a friend to Mr. John Hendy, a prominent and wealthy citizen of that place, who seems to be at the head of a scheme to utilize the large power of waters flowing from Stave Lake in British Columbia, a few miles north of Sumas, which is in Washington near the boundary line.

Mr. Hendy expected an Eastern Engineer about



July 15th to examine and report upon this scheme.

If your expert is now in Idaho and you cared to send him 'seeking' it might be that you could make to him an acceptable tender for the installation of the machinery and the construction of the line to the site of our proposed works near Kendall, as shown on the map sent with this.

We would be willing to contract for ten years, and to pay \$20 per year per H. P., and this volume of business from one concern should form the nucleus to which more could be added to form the basis of financing the project.

Another idea is this—At Nooksack Falls in Washington, not many miles from the proposed site, the firm of Stone and Webster is now developing 3,300 H. P. out of a possibly 12,000 available at that point.

Their Hydraulic Engineer and others told me that in the neighborhood there was plenty of water power to be had.

It might be that your expert, after looking over the *grdau* would consider it best for you to take up water rights, and without contract as a basis, finance an installation.

I am passing these hints for what value they may have, and if they interest you I might say there is need of speed, for if the enterprise goes on, and it *will speedily* decided, the power would be needed in about one year.

Yours truly,

(Signed) JOHN L. HOWARD."

"July 20th, 1906.

Personal.

Dear Mr. Howard:

I duly received your telegram last evening, through Mr. Stockett, reading as follows:

'Will the after discovery of limestone on my timber claim enable other parties to file as stone and timber, placer or quartz and interfere?

Please consult Reidle and *Macanze*.' [302—121w] The word '*Macanze*' I could not make out, and as Stockett states it is the word as received, I did not ask to have it repeated.

Mr. Reidle turned up in the office first thing this morning and I immediately discussed the matter fully with him, and confirm my telegram to you as follows:

'Reidle states the after discovering limestone will not affect you, however to be absolutely safe are sending him back to stake off four placer claims covering whole eighty acres. Do you wish me consult Randolph. Wire.'

There is no doubt in Reidle's mind and neither is there in mine, that the after discovery of limestone does not affect your position, as you applied for the land as a stone and timber claim, and made an oath on good faith that the land on question was chiefly valuable for the timber, which was an absolutely correct statement, and which can be proved by Zenda and Reed, in addition to Reidle and myself, as you know everybody was under the impression that there was nothing on it. However, to put your position beyond a doubt, I have arranged for Reidle to go

back on Monday and stake off placer claims covering the whole 80 acres, in the following names: Thos. R. Stockett, Theodosia Evans, D. W. Reidle, Sophia Reidle, commencing in the order named, from north to south. After putting in the stakes, there is no necessity to take any further action for sixty days, when the claims will have to be recorded, and assessment work to the extent of a trail to cost not less than \$40 to \$50 will have to be done; but before these sixty days expire, you will have proved up on your claim, and I understand the only additional oath you will have to make will be to the effect that you believe the land does not contain gold, silver, coal or other valuable minerals. In my telegram, I asked if you were not satisfied with Reidle's opinion, whether I should consult Mr. Randolph. If you wish me to do this, I can catch the steamer 'Ramona' tonight direct for Seattle.

I enclose plan made by Mr. H. C. Cupples, of 2505 D Street, Bellingham, who is a Civil Engineer, and U. S. Deputy Mineral Surveyor, for the State of Washington. Unfortunately, he has not drawn the ledge on Reidle's claim, however, Reidle himself has put a few pencil marks, showing where it is, from which you will see that it is well within his land. You will observe on the north end of your land, a creek. Reidle states that the engineer states that he estimates there were about 50 miners' inches of water running, and that you can easily get 800 ft. head. He also states that this water could be used for sluicing surface earth off the ledge. If these statements are correct (and I have no reason to doubt that they

are not) this is a very valuable discovery. Reidle says that there is a ledge of shale on your property which is estimated to be 60 ft. wide, and, as far as exposed, about 100 ft. high, at the place where the creek is marked, just about Mansard's property. There is also some rock on the southside of the ledge on your property, small samples of which I am forwarding under separate cover.

With regard to Austin's land—Reidle does not think that this is at all necessary, and so far Mr. Horst has been unable to get an option, as you will see from the enclosed letter from Mr. S. L. Jones to him.

According to the survey, it would appear to me that the [303—121x] Mansard land is of great importance. Mr. Horst has handed me the option on this property for thirty days from 14th inst., for \$4,000, he having paid \$100 down, to be applied as part purchase in the event of your taking the land up.

With regard to the trail—Reidle has arranged with a Mr. W. M. Smith, 203 Forest Street, Bellingham, to take a few men up, with their own tools, on Monday next, so as to commence work on Tuesday. He states that this man is quite competent and reliable; but before leaving for Portland, he will see that they get properly started.

I was much disappointed to find from Mr. Reidle that he has not procured a copy of Maple Falls paper containing the notice of application, as, of course, it is absolutely necessary for us to see that the witnesses' names are correct. I have telegraphed the proprietor of the paper to send me four copies of his

last two issues, and to send four copies regularly for the next sixty days, and as Reidle will not be leaving here until early on Monday morning, I hope to get them in time to check them over.

With reference to Anderson's land—the option, as you are aware, was promised, but so far Mr. Horst has not received the actual signed option, but he daily expects it.

Under separate cover, I have sent a few small samples of coal, which a man informed Reidle he owned, about six miles from Kendall. Reidle did not ask him any particulars.

Yours very truly,

John L. Howard, Esq."

"Oakland, July 20, 1906.

Ernest E. Evans, Esq.,

Dear Mr. Evans:

Anent our conversation about the sale of our northern properties, I feel that their value will be greatly enhanced by the report of the timber cruisers which will soon come to hand.

Last year some conversations occurred between Mr. Stockett and a Mr. Aldrich regarding the possibility of the C. P. R. either taking our coal or considering the purchasing of our mines. Stockett and Aldrich seemed to be quite friendly and confidential and Aldrich was represented as being a confidential man of Sir T. S. in the matter of coal.

You might see Mr. Stockett and learn what took place between them altho' at the time I fancied from what I learned elsewhere the C. P. R. was so deep in negotiations with J. Dunsmuir that they could have



had no serious intentions respecting our property.

Still, what you may learn from Mr. Stockett may lead to the belief that it is *work* while trying for an opportune time to feel some official pulse. The terms of payment might be made reasonably easy and a compensation might induce some proper person to work for the accomplishment of this deal. [304—121y]

I merely mention this so that you may have it in mind. There has been some talk of sounding Jas. Dunsmuir to buy it but his people have been so busy in decrying our property that no price which he would be willing to pay could prove acceptable.

I can get 25 shares Western Fuel Company at \$125 owned by our Cement Dept. Mgr. who is about to leave us to enter business and needs the money.

If you want it please send me a check for the amount and I will forward the certificate.

There is another party here owning about 1000 shares who recently hinted that he would sell at \$150. In case the stock could be had at \$125, would you care to join in a little pool to take it up, and if so, to what extent?

Yours truly,

JOHN L. HOWARD."

"WESTERN FUEL COMPANY.

San Francisco, Sunday Night,  
July 22, 1906.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans:

I am just in receipt of your letter July 18th, and,

as formerly stated, I am of course very glad that lime has been discovered on my timber claim, although **any** information I had at the time of filing led me to believe that it had no value (outside its strategic position) excepting for timber, and very little for that. Please re-impress upon Reidle the necessity for a critical examination of the notice published in the Maple Falls paper, to see that in description and in the *spell* of witnesses' names, matters are in order, and free from attack in that quarter.

I understand that Mr. Bruce is fishing in the Santa Cruz mountains.

Mr. Dingee is due here on Tuesday.

Very truly yours,

JOHN L HOWARD.

JLH."

“(Personal)

Dear Mr. Howard:

Referring to your private letter of the 20th inst—I am rather surprised at the position Dr. Bachman has taken up with regard to promotion shares, and hope that you will succeed in getting Mr. Dingee to come around to your views. I certainly think, with you, that all obligations, such as those to me, should be cancelled by taking out of the total promotion shares, [305—121z] and then splitting the balance as you three may agree, in which case I think I am justly entitled to \$200,000 in shares, considering the high capitalization, and the large amount of money they have saved, entirely through my efforts. If Dr. Bachman's proposal as outlined by you, should be the one finally accepted, I think it would be fair if

you gave me \$125000 out of your \$600000 and, in addition, let me underwrite \$50,000 carrying \$100,000 in bonus shares, for my firm, as an investment. In addition to this sum, I might be able to place a few bonds carrying one bonus share among friends, but until the scheme is in definite shape and I can put it before them, I cannot guarantee any specific amount.

For your guidance, I had a telegram from Baillie on Saturday morning, stating that he proposed running up with his two daughters to see me, and I telegraphed stating that I would be pleased to see them, and inviting them to my house. They arrived yesterday, about noon and left today about noon. Unquestionably he came to get what information he could about what we were doing. He met Mr. Riedle on the steamer, who told him that he had sold out his claim to you for \$6000, and had got the cash. I told him that this was correct. He knew that Dr. Bachman had bought Zender's farm, and that you had filed on the 80 acres.

I told him that nothing would be settled until Mr. Dingee arrived back from New York, and he left with the impression that this property had simply been acquired as a 'bluff' to them, and firmly thinks that they hold the strategical position, and that it would be absurd for anybody to start a factory with 320 acres of land.

He wanted to know whether I wished to cancel my sale and come back with them, and stated that on his return to Tacoma to-morrow he was going to take the matter up with Burns and write San Francisco at once to reopen negotiations with you. I

told him that you wanted Bachman to take their property, and that Bachman said it was not necessary, but that if he could get it at a reasonable price, it would be advisable to take it to get rid of the menace.

Baillie is perfectly satisfied that both yourself and myself have acted in good faith, and he informed me that you positively offered \$150,000 cash for the property; consequently, if they have made an error in judgment, it is their own account. He feels confident that you will take their property.

Yours very truly,

John L. Howard, Esq.,  
San Francisco, Cal.”

“July 23rd, 1906. J.

Dear Mr. Howard:

I have your three letters of the 19th inst, also yours of the 20th.

Electric current: I note there is no duty on this going to the United States, and have so notified Mr. Hendry, who is out of town for a day or two. On his return, I will take the matter up with him. In the meantime, for your guidance, Mr. Kennedy, the Consulting [306—121aa] Engineer, is now on the spot.

Your timber and stone claim:—I note you consider it inadvisable to be away, from San Francisco about the 17th of September and your inquiry as to whether you could appoint me, an alien, or somebody else, to prove up for you, and now await to hear the information you get on this point in San Francisco. I enclose copies of the ‘Maple Falls Leader’ of the 13th and the 20th inst., containing your application, and

also enclose copies of letters addressed to the editor, and to Mr. Randolph, pointing out that the names of Riedle and Reed are spelt incorrectly. The former will be in Maple Falls, himself, tonight, and will have the matter straightened out.

Mansard's 160 acres:—As advised, I hold the option of this in Horst's name, and have sent it back to him to have it endorsed over to Irving A. Bachman. This option, which, as advised, is for \$4000, of which \$100 has been paid on account, expires on the 13th prox. and I should be glad to know, in plenty of time, if I am to instruct Rose & Craven to examine the title, and, if found, correct, complete the purchase before expiration of the due date.

Anderson's 480 acres: I note that if Horst succeeds in getting an option for \$2500, and the properties are free from all incumbrances, I am to complete. I have not yet received the option from Horst, although Reidle advised me that he had been promised it, and it should have been sent on last week, as he had to get the signature of all parties. Horst states, however, that the owners insist on keeping the commercial timber, but I have written him to get this condition waived, and to send the option along, and will advise you of the reply. As you know, we saw no commercial timber on the ground, and if Horst cannot get their proviso with regard to this, waives, I shall be glad to know if I am to agree to their terms.

Yours very truly,

John L. Howard, Esq.,

c/o Western Fuel Co., San Francisco, Cal."



“WESTERN FUEL COMPANY,

San Francisco, July 24, 1906.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans: I am finishing the day by working at home, after having attended a funeral.

The word ‘Macanze’ in the cipher message was intended to mean ‘Wire me as soon as possible.’

I have examined the maps you sent in the light of the explanations in your letter, and we are indeed very fortunate while figuring only on the strategetic importance, to find that my eighty acres are so intrinsically valuable.

I am glad Mr. Horse has the option on the Mansard land, and I think I will be able to wire you tomorrow to take it, although Bachaman may then conclude that he does not need the 480 acres of Anderson land, in which case I will wire you.

By enclosed sketch, you will note that with Mansard’s land we will have 480 acres gradually spreading out in the valley *two*ard the railroad, and there is such a thing as buying too much. Still, if the Doctor will overcome his prejudice against having them, the Anderson land, while not costing much, will give him all [307—121bb.] the area he will ever need.

Dingee is due tonight from New York, and I expect to meet him and the Doctor tomorrow. If the definite and favorable decision is reached at that interview, I will wire you.

Yours truly,

JOHN L. HOWARD.

J. H. L. (sketch attached).”

“July 26th, 1906. J.

“Dear Mr. Howard.

Cement property: I have yours of the 22nd inst, also your telegram of the 25th and 26th inst.

Mansard's land: I enclose copies of letters to Rose and Graven, *als* to Horse, for your guidance, and when I hear that all the papers are in order, will proceed to Bellingham to close the matter.

Anderson's land: I enclose copy of letter received from Horst, from which you will see that he has not yet secured the option, and that he now talks of \$3000 including the timber. This seems to me a bit of a hold-up. Of course, I can do nothing until I get the option, and your letter.

Timber and Stone Claim: I enclose copy of letter received from Mr. F. Randolph. The necessary corrections have been made in the 'Maple Falls Leader,' also in the Seattle Land Office, so I take it that all is now in order up to the present, and now await to hear what opinion you get in San Francisco before appointing an attorney-in-fact, to prove up for you.

Yours very truly,

John L. Howard, Esq.,  
San Francisco, Cal.”

“WESTERN FUEL COMPANY.

San Francisco, July 26, 1906.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans:

I saw Messrs. Dingee and Bachman today. They authorized the purchase of Mansard's 160 acres at

\$4,000, and I wired you to buy in name of Irving A. Bachman, but that if Anderson's option be obtained, to hold it, meaning, until the Doctor next visits the north and passes upon the matter on the spot.

They seem keen to go ahead, and are awaiting some developments in the next few days.

Nothing of special interest transpired at the interview.

Yours truly,

JOHN L. HOWARD.

J. L. H.''' [308—121cc]

“July 27th, 1906. J.

Dear Mr. Howard:

For your guidance, I enclose copy of letter just received from Mr. Reidle. I understood him to say when here that the surveyors went over his claims and found that they had been properly located; however, I have written him again on this subject. In connection with the trail I presume now that the discovery has been made on your property, this is not necessary, although of course, \$100 worth of assessment work will have to be done on each claim, and recorded before the 1st of December.

Nanaimo Properties: I had a call from the people who are negotiating to sell the Nicola Coal Lands, who informed me that the French people I told you about, will in all probability be out here early in September. If they come, I will take the opportunity of mentioning the property to them, and if they think that they are likely to entertain it, arrange for them to go to Nanaimo but I think it would be injudicious to say anything to those people until they are actu-

ally on the spot. In course of conversation over the telephone today with Baillie he asked me whether I had heard anything from you about their property, and I told him 'No,' in fact, the other day I sent him the cutting from the San Francisco Daily Commercial News about the registration of the Puget Sound Portland Cement Co., and asked him whether this was McMillin's concern, or if not, did he know who it was.

Yours very truly.

John L. Howard, Esq.,

c/o Western Fuel Company, San Francisco, Calif.  
Hendy is still absent."

"Oakland, July 27 P. M., 1906.

Dear Mr. Evans:

I am in rect. of your letters July 23, and am hastily replying because I am hurrying to catch evg. train for Reno where we have some gypsum interests; expect to return on Sunday. I saw Mr. Dingee only for a short time on Wednesday. Dr. was present, and I preferred to discuss some aspects of the Northern scheme when I am along with him.

I told you that of Brick Co's stock there were two parcels held outside of us.

5000 by a bank as pledges.

500 by H. L. Miller, former

Prest. who will soon leave for Nome to engage in banking. He paid his assessment today, and after some conversation finally told me he would sell his shares at \$5.—assessment paid. One of my friends wanted to take it, but I told him that you had bespoken some shares, and I would

first have to submit them to you. Kindly wire me your decision on rec't of this. I was at the yard this a. m. A few small details need finishing. Yesterday she cut 88,000 and we feel that when this new boiler within a few days gives the engine increased pressure, she will reach the 100,000 mark.

In haste,

Yrs.,

J. L. HOWARD." [309—121dd.]

"E. E. Evans, Esq.,  
Vancouver.

I sold John Lawson today \$5000 Atlantic Cement Bonds, carrying \$5000 bonus in shares."

"July 28 1906. J.

Dear Mr. Howard:—

I have yours of the 24th inst., and confirm my telegram sent to Oakland today asking whether Dr. Bachman's middle initial was 'A' or 'M,' and you will see from copy of letter enclosed received from Rose & Craven, that apparently some other papers have been made out giving the initial as 'M' whereas your telegram and letter gave it as 'A.' I am now waiting to hear from you.

For your private guidance, I enclose copy of letter received from Baillie, with regard to the Puget Sound Portland Cement Co. which is somewhat amusing. I also enclose copy of my reply.

Yours very truly.

JOHN L. HOWARD, Esq.,  
San Francisco."



“WESTERN FUEL COMPANY,

San Francisco, July 31, 1906.

Mess. Rose & Craven,

Bellingham, Washington.

Dear Sirs: Upon my return today from the mountains I find a telegram from Mr. Evans of Vancouver asking if the initial letter of Dr. Irving Bachman's name was A. or M.

This was answered during my absence, but it occurred to me that in some unaccountable way while in the north I had given his name as I. M. Bachman, and might have been guilty of this error when I gave Mr. Craven the name for making the deeds. I therefore wired you giving the correct name, and asking in case I had previously made this error, if you would please correct it.

Yours very truly,

Copy to Mr. E. E. Evans.

J. L. H.”

“August 1st, 1906. J.

Dear Mr. Howard:

I have to acknowledge receipt of your favor of the 27th ulto. offering 500 Central Brick Company's shares at \$5 per share, assessment paid, and confirm my telegram accepting this offer, and also instruction you to close for the 25 Western Fuel shares at \$125, and if possible to buy an additional 500 Central Brick Company's shares at not exceeding \$6. assessment paid, and now await to hear from you. If the transactions are carried through you will kindly put the Western Fuel Co's shares in the [310—121ee] name of Evans Coleman & Evans, and the Central

Brick Co's shares in Mr. Warner's name, whose initials and address you already have. As soon as I hear that the business is closed, I will arrange remittance.

Cement property:—I enclose, for your guidance copies of letters received from Rose & Craven and Mr. Horst, all of which explain themselves. I also enclose letter received from Mr. Hyatt of the Bellingham Bay Improvement Co. with regard to Mr. Maney.

I received a telegram late last night from Reidle, reading as follows: 'Trail is finished. Letter on road.' I also enclose for your guidance a rough report on the water power of the Lillooet Lakes. This report is made by Messrs. Hermon & Burwell, who were the discoverers of the water power which is not being used by the Vancouver Power Co., a subsidiary company to the B. C. Electric Railway Co. This may be of interest to you.

Up to time of writing, I have been unable to get anything definite from Mr. Hendry. He is expected back today or tomorrow.

Yours very truly.

Encls:

John L. Howard, Esq.,  
San Francisco, California."

“WESTERN FUEL COMPANY,

SAN FRANCISCO, August, 1, 1906.

Ernest E. Evans, Esq.,  
Victoria, British Columbia.

Dear Mr. Evans:—On my return from Nevada I find your letters July 26, 27 and 28.

I note the result of your interview with Mr. Stockett. Perhaps the difference between Nanaimo at the cost of delivery and that of Comox might overcome prejudice of opinion.

Western Fuel Shares: I offered them to you because you said you wanted some. There are buyers here and I will place them.

Brick Company shares: The assessment is not delinquent. I will take up the matter with our attorney and arrange to sell according to law.

I wrote you about 500 shares, but do not yet know what course the bank will pursue about the 5000 shares belonging to an insolvent, and which it holds as pledges. If they are to be had at public or private sale, I will wire you, but I will not pay more than \$5 plus the assessment, and if honorably possible, will get them for less. If you or your friends do not care for any of them, please indicate by wire and I will either keep them or place them with friends.

Mansard's land:—I note that title is in the name of F. M. and Louisa Watson. If Craven passes title, buy it and draw as requested.

Anderson's land: Should option come it will of course [311—121ff] be held until Dr. Bachman passes on the need of acquiring it.

Howard's land: I note the errors in the publication, and Randolph's remarks regarding the corrections.

Would it not be well to take steps to consolidate these claims so that assessment work done on one should be applicable to all?

Do you know what steps are necessary to make

this consolidation?

French people: I think your course is wise to postpone references until the parties get on the spot.

As to my filing, I am quite sure it was intended to be only timber, but Reidle is right, the notice says 'Timber and Stone.'

Today I lunched with Mr. Dingee, and on Thursday last I saw the Doctor at Napa factory. Have impressed upon both the need of a speedy decision. Both agree with me, and the Doctor is to be called here tomorrow, or Thursday for consultation, when I feel that the thing will be an *au fait accompli*.

They have been awaiting some information, which in my opinion is not a vital necessity.

I rehearsed with W. J. D. the proposal of Dr. Bachman regarding the scheme, and this will be made the subject of discussion at the meeting.

Mr. John Lawson paid me for five Atlantic Cement bonds. I gave him \$5000 in shares as a bonus, and he wanted to know if I would let him in on the Northern scheme. I said Yes.

Yours very truly,

JOHN L. HOWARD.

JLH."

"August 2, 1906. J.

Dear Mr. Howard:

I am just in receipt of your telegram stating that your letter about Western Fuel Stock stated the price was \$125, and not \$120. I immediately looked up the copy of the telegram, which I handed in to the stenographer, and find that it was sent from here cor-

rectly as you will see from the actual copy herewith. As previously advised you, the Central Brick Co's shares are to be put in to Mr. W. P. Warner's name, whose address is Langton Hall, Market Harborough, England.

Cement property: For your guidance, I enclose copy of letter received from Rose & Craven, from which you will see that the deeds for the Zender, also the Mansard lands, are now in order.

Electric Power: Mr. Hendry is still away, and will not be in active business again for two or three weeks. I called on his assistant today, who informs me that the consulting engineer, viz.: Mr. Kennedy, has gone east to look for an engineer to take charge of the whole work which is to go ahead right away, and they expect to have the dam ready early in the coming year. Mr. [312—121gg] Hendry is very anxious to take care of our requirements, but he cannot give us any definite reply for some few weeks.

Yours very truly,

John L. Howard, Esq.,  
San Francisco, Cal."

"August 3, 1906. J.

Dear Mr. Howard:

I have to acknowledge receipt of your telegram advising that you have drawn on me for \$3125.00 for twenty-five Western Fuel Co.'s shares, which will be duly protected on presentation. I note that you will advise about the Central Brick Co.'s shares later.

Cement property: For your guidance I enclose



copy of letter received from Rose & Craven, and copy of my reply, from which you will see that I have made a sight draft on you in favor of the Bellingham National Bank for \$3900, the balance due on the Mansard land.

Yours very truly,

John L. Howard, Esq.,  
San Francisco, Cal."

"August 11, 1906. J.

Dear Mr. Howard:

Cement property: I enclose for your guidance copy of letter just received from Mr. Reidle, and you will kindly take note of what he writes with regard to the assessment work on his claims.

For your guidance I also enclose copy of letter received from Mr. Aman Moore, to which I propose replying that I have no interests, with B. G. & Co. and do not know what their intentions are.

"Yours very truly.

John L. Howard, Esq.,  
San Francisco, Calif.

"August 14, 1906. J.

Dear Mr. Howard:

Cement property: I have received advice from Rose and Craven, that the \$3900 due on the Watson land was paid yesterday and they advise that they will get the deed and file it for record. I enclose account of disbursements made up to date, with vouchers attached, all of which I expect you will find in order, although you will notice a difference of 50¢ between the amount of Mr. Cupples' bill and the

amount actually paid. This 50¢ was an item that Reidle left out of his own account.

Yours very truly,

John L. Howard, Esq.,

San Francisco, Cal."

“WESTERN BUILDING MATERIAL COM-  
PANY.

340 Steuart Street.

Cement.

Brick.

Lime.

Sewer Pipe.

Platser.

Terra Cotta.

Roofing Slate.

[313—121hh]

“San Francisco, August 15, 1906.

Ernest E. Evans, Esq.,

Vancouver, B. C.

Dear Mr. Evans:

I have your letter of August 11th, and have not been in position to write you with positiveness because of late days Mr. Dingee has been absent from the City a good deal and I have not been able to get with him and Dr. Bachman. The last word was that the Dr. intended sending his alter ego, Mr. Roseberry to Kendall, on Monday or Tuesday of this week, but I have not learned of his going, and will not be able to see Mr. Dingee until tomorrow. You have no idea how difficult it is to get about the city now and how hard it is to see business men scattered as they are, far apart.

The delay in decision has been caused by work on the other proposition about which I have hinted, and at last advices it looked very favorable, in fact,

almost sure of *consumation*.

Aman Moore: He called at my house last week with the proposal to establish a chain of factories beginning at Spokane and extending south to El Paso. As our interests are allied with the Dingee combination, I arranged for a meeting between Moore and Dingee, and have not since seen Mr. Moore. I said very little to him about the Balfour property at Kendall.

As to Reidle's letter to you of August 9th: If living and well I will be in Seattle on September 17th, to prove up on the timber claim, and I will then see to it that the necessary assessment work shall be done on my 80 acres, and as soon as I see Dr. Bachman, I will impress upon him the need of doing the same on the Reidle 80 acres.

Brick Stock: The sale for delinquent assessment will occur 10 A. M. August 21st. The 5000 shares owe \$5000 and costs. The law makes it that parties bidding shall offer to pay the costs for as many of the shares, and that of course will leave the balance clear for the present holder, but it maybe that the bank (the pledges) or the titular owner shall come in and offer the *blok* at private sale before the 21st. At present I cannot tell what may be done.

Yours very truly,

JOHN L. HOWARD.

JLH/EGO."

“WESTERN FUEL COMPANY.

San Francisco, August 15th, 1906.

Copy for Mr. E. E. Evans.

Mr. F. F. Randolph,

#413 Pacific Block, Seattle, Washington.

Dear Sir;

When I was in the north last, some parties owning limestone deposits near Kendall had given an option on their claims to a realty agent in Sumas and evidently under the impression that I needed them, a prohibitory price was put upon them. I told Mr. Reed, one of the parties, that when the option expired, and they were in a position to make a direct offer at a reasonable price, I would place it before my friends for consideration, but that we [314—121ii] did not need the deposit, and would not treat with the Sumas party and pay in the price as a speculative commission.

Mr. Reidle has dropped a line to say that this is the land which you represented in a contention with Balfour, Guthrie & Co., and that by reason of your relation to it and to the parties, you might be able to offer it.

If so, and you will submit it at a reasonable price, I will place it before my friends and give you a prompt reply by wire. If offered, it must be without the existence of any adverse claims.

Yours truly,

(Signed) JOHN L. HOWARD.

JLH.”

“Oakland, August 18, 1906.

Ernest E. Evans, Esq.,

Dear Mr. Evans:

I recd. your letter enclosing statement of acct. with vouchers. These I at once sent to Mr. Dingee for a check which will come at once.

I have not been able to say much to you of late concerning the Kendall scheme. On Thursday I learned that the Seattle lawyers advised them that the name of Puget Sd. Cement Co. had already been appropriated. Today they concluded to adopt the name of Northwestern Co., and to do their work all over again. The first was organized while I was in the North, and I didn't know of it until my return.

Their public announcement of this thing has been withheld for prudential reasons connected with their negotiations for the purchase of the RRd. I understand that this is about closed, and the delay was caused by the absence in Europe of one of the principal owners. The fact of this negotiation is a great secret, but I am trusting you with it.

Mr. Roseberry who is Dr. Bachman's ass't is expected to leave here on Wednesday next for Kendall. I have written Reidle to meet him at Bellingham A. M. August 25th.

I presume that as soon as the RRd deal is accomplished they will fling their banner out and notify the world that the dirt will begin to fly at once.

I have met our friends several times of late, but no word has yet passed concerning the Northern Cement property. It is very strange. Mr. Balfour arr'd Thursday P. M., but I have not yet seen him.



I have had no further talk with Mr. Dingee concerning the character of the Northern deal, but it will doubtless come up when the garment is to be divided.

I am making calculations to be in Seattle on September 17th, and will spend a day or two in Nanaimo.

Trusting that you are in good health,

Yours truly,

JOHN L. HOWARD." [315—121jj]

"August 20, 1906. J.

Dear Mr. Howard:

I am in receipt of your favor of the 15th inst., and note that you will be in Seattle on the 17th prox. to prove up on the Stone and timber claim. You are aware that it will be necessary to have two of the witnesses there at the time, and I shall be glad to know whether I am to arrange for Reidle and one of the others to meet you or will you take this matter up with Mr. Reidle himself direct? I have already notified him that in all probability he will be required, and that we shall also require Snyder Reed, if he considers *hi*, and most reliable of the other witnesses.

I note all you write with regard to Mr. Dingee and Dr. Bachman, and hope to hear very shortly that everything is arranged. I am entirely in the dark about the other proposition, and have not the least idea what you refer to.

Yours very truly,

John L. Howard, Esq.,

San Francisco, Cal."

“August 24th, 1906. J.

Dear Mr. Howard:

Thanks for your letters of the 18th and 20th inst. I note from the latter that the 500 Central Brick Co's shares are not available at the present moment.

The information you give with regard to the Cement business is *not* gratifying, and you can rely upon its being closely bottled up, so far as I am concerned. It, however, did not come as an entire surprise, as, after writing you last, I almost came to the conclusion that this was the property you referred to particularly as Marpole stopped me in the Club, and asked me whether my friends were entertaining the proposition, as Cornwall had been up to see him, for a final reply, as he stated that others were negotiating.

On the 23rd inst. I had occasion to telephone Bailice on business, and he informs me that he is leaving for San Francisco in a few days. I took the opportunity of asking him if he had any word from San Francisco about their cement property. He stated that he had not, except a letter in reply to one he wrote about three weeks ago after his visit here, saying that they had not had the opportunity of discussing the matter with you, and he does not appear to know what their intentions are, but they still think that they hold the key to the situation, in so far as the supply of water &c is concerned.

I presume you will arrive in Seattle on Sunday afternoon on the 16th prox. or by the morning train on the 17th. If nothing turns up to prevent me, in all probability I shall leave here by train or by boat

on the afternoon of the 16th inst. and meet you at breakfast on the 17th, in case there are any points you wish to discuss.

The salmon fishing season will be over tonight. On the whole, it has been a very poor one, but although the majority [316—121kk] of the canners will find it an unprofitable season, I am pleased to say that we shall have no load to carry after we have sold the salmon, which of course is a liquid asset.

Very truly yours,

John L. Howard, Esq.,  
San Francisco, Cal.”

“August 25, 1906. J.

Dear Mr. Howard:

I am in receipt of your favor of the 21st inst. enclosing check \$1,019.30, in settlement of statement sent in connection with the Kendall cement property.

I am also in receipt of copy of letter received from Mr. F. F. Randolph, with regard to the Von Valkenburg line of claims, and for your guidance, enclose copy of letter just received from Mr. Horst on this subject, also copy of my reply.

Yours very truly,

John L. Howard, Esq.,  
San Francisco, Calif.”

“Oakland, Aug. 26, 1906.

Dear Mr. Evans:

Yesterday I saw Mr. Dingee. The R. R. negotiations are still on, nearly but not quite to a point. One of the owners, or rather Taylor, Agt. for D. O. Mills, has attempted to raise the price, but I am told

that his actions indicate that he will accept, if he cannot do better than was offered. The N. W. Portland and Cement Co. has been incorporated to take the place of the other organization (P. Sound P. C. Co.) and I am informed that all the legal work is going on in connection with that, the deed of trust and the bonds. Bachman cannot leave here at this time, and Roseberry is detained at Napa Junction factory, perfecting the operation of some 'Separators' recently installed.

Dingee, Bachman and their lawyers are doing all the work in connection with the new scheme, and I would not be of much use in elaborating this high financing. I am well out of it because I have not time. Mr. Smith has been on his vacation since Sunday last, and labor matters here are quite unsettled. Coal shovellers are now getting \$6 per day and the S. F. street car lines are tied up today.

Bricklayers are now getting \$1 per hour, and are not hurting themselves with working.

Matters are bad here. I now expect to leave perhaps on Saturday Sept. 8th for Nanaimo direct, and hope to see you somewhere in the north.

Yours truly,

JOHN L. HOWARD." [317—1211]

“WESTERN FUEL COMPANY.

San Francisco, September 4, 1906,

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Sir:—

I enclose copy of Reidle's reply to my letter, copy

of which I sent you. He writes in English as incoherently as he speaks. I do not propose to allow anyone to put me in any kind of equivocal position in this matter.

I hear that the work of preparation of the Northwestern Cement Company is progressing, i. e., plans for factory are in hand, legal work being pushed, etc., etc. My impression is that D. & B. have put themselves in position to control the road, but I have no late news. This is confidential.

On Thursday, I received a note from A. B. W., written at the instance of R. B. asking for reasons whether the negotiations for the purchase of the Sumas properties are definitely at an end. I spoke to D., who wanted to confer with B. Unfortunately the latter is full of trouble due to a labor strike, and the unionizing of his 200 employees, many of them unwilling members.

I do not know how soon the answer will come, but in order to relieve the tension I will press for it early. If, however, it means a renewal of B. C. & Co.'s former offer, I do not look for any results.

Yours truly,

JOHN L. HOWARD."

J. L. H."

"Copy.

Montavilla, Portland, Oregon.

August 27, 1906

John L. Howard, Esq.,

San Francisco.

Dear Sir:

Your favor of August 23rd received, and I beg to say that your telegram arrived Friday morning in



time before starting for Bellingham. I have also seen a telegram from the firm of Balfour Guthrie, San Francisco, to the firm at Portland.

‘Howard professed that Reidle says he is free, etc.’ This is correct. I said so, and I said so to Mr. Burns.

I decided to be independent as I *hard* the price they asked for the property. I had not asked for salary for month July and August, besides declared to Mr. London that I will (?) September 1st. He asked me to write it, I did *do*, as you inclosed (?) can see

Mr. Burns asked me if you had promised me a position or something else in your new company. I said, “No.” This is true also, which you know yourself.

Mr. Burns went to bluff me last Friday that when you are building, they will build also. I believe they will come to [318—121mm] terms and you will build together.

I will write you again in a few days. I will stand pat but honest.

Yours very respectfully,

D. W. REIDLE.”

“Copy.

Montavilla, August 16, 1906

Mess. Balbour Guthrie & Co.,

Sirs:—As I am convinced you are not going starting the proposed cement work at Kendall, and I think it is not in mutual interest to go on as we have done since, I beg you therefore, kindly for a final settlement.

Please be so kind make a proposition to this matter in writing.

Yours very respectfully,

(No answer today.)”

D. W. REIDLE.

“WESTERN BUILDING MATERIAL COM-  
PANY.

340 Stucart St.,

Cement.

Brick.

Lime.

Sewer pipe.

Plaster.

Terra Cotta.

Roofing Slate.

San Francisco August 28, 1906.

Ernest E. Evans, Esq.,

Vancouver, B. C.

Dear Mr. Evans:

I am in receipt of your letters August 24th and 25th with enclosures.

No. 1 Lime Claims: If you can get them at the same price that was paid for Reidle's claims \$6,000 I would tell them that you will give them a check immediately on presentation of a deed. But it should be for all the claims and they should be free from any kind of liens or adverse contentions, especially that of Randolph, the Seattle lawyer, who has notified me that he has a lien on them.

I do not say that this is the highest price that Bachman would pay, but it is well enough for you to have the definite figure in hand, and if it developes that a little more must be paid, then you may fall back on your 'Wicked brother-in-law' for advice.

I notice that Bruce Cornwall has been visiting Mr. Marpole regarding the B. B. & B. C. R. R.

I am not quite sure when I will leave here. We have a W. F. Co. dividend day on September 10th and if I find that this does not interfere, I will start

for Nanaimo direct on September 7th or 8th  
[319—121nn] at latest.

Yours very truly,  
JOHN L. HOWARD.

J.L.H./EGO''

“WESTERN FUEL COMPANY.

San Francisco, September 4, 1906.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Sir:

To your letter September 1st. Horst had nothing to do with the Zender purchase. Reidle obtained the option on Sunday, June 30th, but I remember that Horst happened to arrive on that day, or on the night previous. Does it look as though D. W. R. was *win-*ing him in for an unearned commission?

As to the Watson purchase, we did delegate him to negotiate, but it has the appearance of his trying to make a brokerage, both from the buyer and the seller.

It is customary in our country for the broker to get his fee from the seller.

Randolph wrote wanting me to make a bid for No. 1 claim. I did not reply. Better let things rest until we meet next week.

Yours very truly,  
JOHN L. HOWARD.

JLH.”

“Sept. 1, 1906.    KH.

John L. Howard, Esq.,

340 Steuart Street, San Francisco.

Dear Sir: I have to acknowledge receipt of your favors of the 26th and 28th ult., and thank you for keeping me advised as to how matters are progressing, judging from which it seems certain that the enterprise will go on.

For your guidance, I enclose copy of letter received from Mr. C. A. Horst, together with copy of his claim and copy of my reply. This letter was a great surprise to me, as, beyond having a few words with him on general subjects at Zender's place, I have had no conversations with regard to the purchases, and it looks to me as if it was an attempted hold-up, although of course I don't know what the arrangement was with regard to the Watson land.

I note what you write with regard to No. 1 Lime claims, but in view of what you have already written Randolph, and what I wrote Horst, I do not think that we should say any more until we hear from them.

Yours faithfully,

Diet. E.E.E.

Enc.

Stockett is here today, full of enthusiasm and blowing his dividends in on his sister”

Offices of NEWMAN & HOWARD.

“Attorneys and Counsellors at Law,

Bellingham, Washington Oct. 29, 1906.

[320—12100]

Mr. John L. Howard.

87 Vernon Street, Oakland, California.

Dear Sir: We today wired you as follows, which we beg to confirm:

‘Matt Birdwell and Reed agrees for themselves, and Sam Birdwell, who is not here, to transfer to Purdy their interest east half of southwest quarter Reidle claims two thousand dollars, conditioned on their title reverting if a cement plant not erected. This is lowest possible price. Claim they can prove Reidle never properly located his claims. Claim Sam Birdwell has sold to Seattle parties his mining claims in conflict with your west eighty. On Saturday, Meeney with Professor Landis, Geologist, Sam Hill of Seattle, Harvey Lindley of Los Angeles visited claims. Saturday night Lambert advised Meeney he would not transfer to him his and Van Valkenberg’s locations on Reidle property, as they are not in jumping business.’

Mr. Purdy and I went to Sumas Wednesday evening (the 24th) and on Thursday we, together with Mr. Lambert, drove to Kendall and interviews Snyder Reed and Matt Birdwell. Sam Birdwell is clerking in a store in a small town in this state on the Columbia River. We took Mr. Reed over to Matt Birdwell’s, and put in several hours with them. We found Matt Birdwell much the more reasonable of



the two men. Reed did most of the talking and asserted the right to speak for Sam Birdwell, claiming to have a perfect understanding with him. The early part of our negotiations were confined to the east half of the southwest quarter, being the Reidle claims. We assured them of our belief in the validity of Reidle's title, but pointed out to them the danger of losing the plant at Kendall if litigation was to be encountered, assuring them, however, that in the event of failure to compromise, the litigation would be proceeded with, even though the plant were installed elsewhere. Without detailing all of the negotiations, will say that we finally offered them \$1000 for the title of Reed and the two Birdwells to the Reidle property. They insisted upon \$2500. We put it up to them just as strong as we could, after which, Mr. Purdy had a long talk with them out of my hearing, in which he assured them of the financial standing of the men behind this enterprise, and of their good faith, and of their intention to immediately instal a large plant. I heard him state that he would personally gladly give \$250 to see a compromise effected then and there, and he finally raised the offer to \$1500.

Matt Birdwell told Purdy that he would be willing to take even less than his proportion of \$1000 for his claim, but that he only had one claim, and that Sam Birdwell and Reed were working together in the matter. Reed appeared to be very confident of his position, asserting that he could prove by himself and others, and also by one who was in the employ of the surveyor whom Reidle claims surveyed the locations

that the required number of stakes were not set, nor was the line of the claims blazed or cut out in any manner except upon a portion of one or two sides.

As an evidence of good faith, Mr. Purdy stated that he would be willing they should convey the title to him, their title, whatever it was, to be re-conveyed to them in the event that a plant was not installed in the vicinity of Kendall within a reasonable time. They pretended to be fearful that it was your object to [321—121pp] purchase the property to keep others from developing it.

Declining to settle for less than \$2500, we told them that amount was in excess of what I was authorized to pay, and the only thing I could do would be to submit it for your consideration. Reed rode back from Birdwell's with us, and just as we were leaving he stated that since we had raised the offer to \$1500, he would write to Sam Birdwell and recommend that they close for \$2000, stating that he had no doubt but what each of the Birdwells would, together with himself, close for that amount.

After we had obtained his \$2500 offer upon the Reidle property, we suggested that while the Cement Company had no interest in the west half of the southwest quarter, of Sec. 23, being the property for which you have applied, we would of course assume that Sam Birdwell would file a relinquishment of his contest as to that land, upon receiving his portion of whatever should be paid for the Reidle property. Reed stated that Sam Birdwell was not in a position to do that, even if he should so desire as he had sold to some Seattle parties his interest in the claims

which he and Croy had filed upon, the land embraced in your application. He stated that he did not know the name of the party to whom Sam Birdwell had sold but that he would write to Mr. Birdwell, and would furnish us with that information if he could obtain it from Mr. Birdwell.

We offered to pay the expenses of Sam Birdwell, if they would send for him, and with him come to our office, so the deal could be closed up at once and the same time, in case we should come to a settlement. They advised us that they thought Sam Birdwell would be unwilling to come, on account of being employed at present. Matt Birdwell, however, agreed in case it should be necessary, to go down and close the matter up with Sam, we to pay his expenses.

No one could have presented the matter in any fairer or stronger light than did Mr. Purdy. Mr. Lambert was also of considerable assistance in inducing Matt Birdwell to take a proper view of the situation. Reed, however, is a 'Smart Alec,' and no one, apparently, has any influence with him.

Reed stated to Mr. Purdy that he had eight limestone claims besides a valuable deposit of limestone on his ranch, and that the whole could be purchased for the sum of \$8000. I do not recall whether the two claims which Reed located upon the Reidle property are among the eight referred to or not.

Knowing that you would not arrive in San Francisco until to-day Mr. Purdy, Mr. Lambert, Mr. Moulton, Mr. Garrison (the latter two of Sumas), and I went on a hunting trip in B. C. in the vicinity of Sumas, and did not return until Sunday morning.

That evening, Mr. Meeney, Prof. Landis, Geologist of the State University of Washington, Sam Hill of Seattle. (son-in-law of President James J. Hill of the G. N. Ry. Co.—) and Harvey Lindley of Los Angeles, returned from a trip to Kendall, where they had been inspecting some limestones properties, which undoubtedly included those in which you are interested.

In the telegram, which I sent you today, I stated that they had made this trip on Saturday. I believe, however, that they drove out and returned on Sunday, and Lambert does not think that they saw either Reed or Birdwell. They did not know, or if they did, they gave no intimation to the effect that we had any connection with [322—121qq] any of these lime properties. We learned from other sources that Meeney was very anxious to see either Lambert or Van Valkenberg and *aa* have one of them go with his party. Van Valkenberg is still out in the mountains and Lambert was with us. Meeney saw Lambert in the evening, and asked him concerning the locations which he had requested Van Valkenberg and Lambert to make. Lambert told him in substance that at the time they had made the locations, they believed the property to be vacant; that they were since advised that the property had already been taken up under the Reidle locations, and as they were not in the claim jumping business, they would have nothing more to do with the claims. Mr. Hill and his entire party returned to Bellingham with us Sunday evening, and left for Seattle on the evening train.

From what we could hear in Sumas, it is apparent

that there is an unusual amount of activity in lime land in the vicinity of Kendall, and Mr. Moulton, the gentleman who furnished you with the robes, and who runs a livery stable, assures us that most every week several men go out to Kendall with a view of looking into lime properities.

The only remark that Mr. Hill dropped that might be construed to have any reference to the matter in question, was a statement made to Mr. Purdy to the effect that they were figuring on adding about 3000 population to Bellingham.

It is apparent that the Hill party are either interested with Meeney, or are contemplating an alliance with him, and it may be a fair inference that it is to some one of them that *it is to some one of them that* Sam Birdwell has conveyed the placer locations which he claims to have located upon the property for which you have applied.

Mr. Lambert explained to Reed and Birdwell that after he and Van Valkenburg had investigated the Reidle title, they were satisfied that his locations were valid, and being prior to theirs, they had readily consented to convey their interest to your people, but that independent of the question of priority, he felt it for the best interest of the community and all concerned, that you obtain the property. Reed replied that the reason Lambert was so willing to make the conveyances was that his and Van Valkenberg's locations were made subsequent to those made by Reed and the two Birdwells.

Reed conceded that he was not here at the time, but stated that he had a man who was here, un-



doubtedly referring to Sam Birdwell.

It is Lambert's belief, in which we concur, that neither Reed or either of the Birdwells made any locations upon the property in question until several days after Lambert and Van Valkenberg made their locations. Should this prove to be the case, and their locations were properly made, upon acquiring title to the same, we would have good title as against Reed and the Birdwells, even though the Reidle title should prove defective. As between Reidle's locations and those of Reed and Birdwells, the burden of proof would be upon the later to show a non-compliance by Reidle and his co-locators with the mineral laws, since Reidle's locations would be conceded to have been attempted prior to those of Reed and the Birdwells. As between the Lambert-Van Valkenberg locations, and the Reed-Birdwell locations, the same on the fact of the record appearing to [323—121rr] have been made the same day, we think the burden of proof would rest upon whichever party asserted prior location.

In view of the experience which they have had in such matters, it is fair to assume that the Reed-Birdwell locations were made in substantial compliance with the act as to settling of posts, slashing out lines, and otherwise marking the claims upon the ground. They are not required to perform any further work until within sixty days following the date of their locations. If they have so complied with the Act, then as against them, the validity of the Reidle locations must at this time depend upon two things: 1st, a substantial compliance with the Act as to stakes,

marking out boundaries, and otherwise defining the claims upon the ground, and

2nd: the performance of \$10 worth of development work to each claim prior to the initiation of the adverse claims.

It is apparent from what Reed says that both of these prerequisites will be contested, and since other parties seem to be desirous of acquiring this property, it is fair to assume that they will be backed financially in the prosecution of such a contest. If what Reidle claims as to the method in which the claims were originally located is true, the only remaining question is that of the performance of development work. Reed claims that after a most careful inspection of the ground he was unable to find many of the stakes called for in Reidle's location notices, and unable to find any hole in the ground where any stake had apparently been driven.

He also asserts that the lines were not slashed out as required by the Act. The mere fact that stakes cannot be found at this time is not inconsistent with their having been properly driven and thereafter removed by other parties, but it would seem if the lines were properly cut that there should still exist some evidence that this work had been done.

As pointed out in our letter of Sept. 20th, these are questions which must be determined by an inspection of the ground itself. For these reasons, it is impossible for anyone to state by an examination of the abstract whether a good title exists under the Reidle locations or not. As suggested in the letter last referred to, in view of the fact that each of the Reidle

claims purport to have been discovered and located, and the location notices filed at 3:45 P. M. of the same day, considering their distance from the city the locators must have exercised a very creditable degree of diligence in accomplishing so much in such a short space of time. True, Reidle asserts that these claims were actually discovered and surveyed on July 7, and not July 8th, as stated in his location notices.

The whole matters turns upon questions of fact concerning which you are as conversant as I am, and it is for you to determine whether the adverse claims and attending annoyance of litigation with the possible result of defeating the Reidle locations are sufficiently serious to justify the expenditure of \$2000. In view of all the circumstances, however, we would suggest that prompt decision should be made in the matter.

In our conversation with Mr. Reed, we made no reference to his conflicting affidavits, believing it unwise to take that [324—121ss] matter up until the success or failure of the compromise had been determined.

Was unable to see Mr. Watson relative to release of \$500 mortgage on property purchased from him, but left data with Mr. Lambert, who will take the matter up with him, and advise me in a few days.

Copy of this letter herewith transmitted to Mr. Ernest Edward Evans, at Vancouver, for his information.

Yours very truly,

C. W. HOWARD.

CWH/J.”

“Oakland, Oct. 10, 1906.

Dear Mr. Evans:

Have been in train and automobile all day and find your wire at home tonight. I will wire you in the morning that I will start Saty. P. M. for Bellingham direct, and will also wire Reidle to meet me in Portland Monday A. M. prepared if necessary, to go with me. Last night I had a long letter from Mr. Howard, in which he advised negotiations thro' Lambert, looking to a settlement, and altho' I presume it is the wisest course, my disposition is to fight them to a finish. Maney seems to be at the bottom of the trouble, and I intend seeing whether we cannot give him a similar dose.

What irritates me so much is not that Reidle was self-deceived, and I think innocently so regarding his assessment work, but that Rose & Craven who were especially engaged and paid for examining his title, failed to discover the flaw that Mr. Howard had uncovered. On top of this, I was justified in giving such assurances to Bachman as to his position that he gave a warranty deed to the N. W. Cement Co.

Therefore, we must make the best terms as we can with this gang, and altho' I told Reid in July that we would have nothing to do with the jumping of No. 1 claims, when I get settled up on the Reidle business, if there is any chance of giving Maney et al trouble on No. 1., I will do it.

Whatever I may have to pay to the jumpers in Reidle's claims, I will ask him to reimburse us for because in the presence of Craven he agreed to warrant his title as it then stood, and if he failed to com-

ply with the law prior to his sale to us and thus left his claims open to attack, he must make us whole.

Also as soon as I get matters squared, if Peter Zender has had a hand in this jumping, I will order him out of that house at once.

As soon as the atmosphere is cleared, I will at once spend the needed amount of money, furnish the proof, and get the U. S. Patent whether Bachman is ready or not.

Howard wired me today that matters would rest safely until my arrival Monday night, and his letter stated that Maney had a deed to the No. 1 claims.  
[325—121tt]

We'll dig out to daylight somehow. Stockett was to have started from Nanaimo this A. M. and I shall see him at Bellingham, or in the field in the early part of the week.

I have not seen any of the B.G.&CO. people. Henry T. Scott will give R. Balfour a luncheon on Friday. I am invited, but am not sure that I can attend. The brick yard cut 106,000 brick on Sunday last in 8 1/2 hours. The steam shovel has arr'd has been set up, and is about ready for work. Very late and I'm off to bed.

Yours,

J. L. HOWARD."

Oct. 9, 1906. H.

Jno. L. Howard, Esq.,

87 Vernon Street, Oakland, Cal.

Dear Mr. Howard: I am in receipt of your favor of the 4th inst. and also have before me copy of Mr. C. H. Howard's letter to you of the 5th inst.

Reidle claims: For your guidance since last writ-



ing you, I enclose copies of some correspondence which has passed between these gentlemen and myself, and I am awaiting a reply from him to my letter of the 5th inst. The extract of this letter from Mr. Elijah Smith to yourself throws some light on this conspiracy. It would seem that Van Valkenberg is unquestionably acting for Maney, but whether Birdwell and Reed are acting for the same man, or individually, I cannot make up my mind. Mr. Butler to whom Mr. Howard refers, is a Seattle schemer. He was the man who secured the option on the property now being developed by the Washington Portland Cement Co. on the Skagit, and accidentally came across Mr. Miller who was related to the Andersons of Aberdeen, and Butler was successful in selling this property to the Andersons through Miller and between them they cleared up \$40,000. Maney had the contract from the Washington Co. to build the dam, which has been twice-washed out. He is a friend of McMillian, and although he has not any means, he appears to be well known among suppliers of building materials, both in Seattle and Tacoma. Our mutual friend F. T. Crowe, Galbraith and Alex Bailiek all know him personally, and there is no questions but that he has taken up the No. 1 claims and come in with Butler with the idea of making a turnover. Whether our friends B. G. & Co. are mixed up in the affair with Maney, I hardly dare to venture an opinion.

There is no doubt, as time is very important, that if we can arrange with the contestants of Reidle's claims, to give us a transfer, it is the right thing to

do, but my idea is that we should compel Reidle to refund the money that we paid him to be put up in escrow, and let the various contestants fight out their own battles, the money to be paid over to the winners, we in the meantime seeing that we are perfectly certain in getting the claims, but of course if the other contestants could be bought for a few hundred dollars this would be a better arrangement.

When taking up the property now owned by B. G. & Co. [326—121uu] we had some dealings with Lambert, and employed him to buy some of them, and he appeared to be quite friendly so probably he is a good man to have with us.

Stone and Timber claim: You will have seen from my last letter that the reason you could not get a satisfactory reply from Randolph was because he was absent. I have about the same opinion of this gentleman as you have, and of course it is a question for us to decide whether we will let him fight the case for us, or employ Howard. I am afraid, however, this might cause some petty jealousy, and as you say he is a dangerous man to have against us probably it is advisable to let him go on with the suit alone.

I am so badly rushed just now, otherwise I would have taken a run down to Seattle ere this, and called on Randolph in a casual way. There will be a let-up after Friday when the Australian mail and s/s 'Bellerophon' get away, and if possible I will catch the steamer Friday night, or go down by train on Sunday.

Yours faithfully.

Diet. E. E. E. (enc.)

P. S. Since writing the above, I have received a letter dated 8th inst. from Reidle, copy of which I enclose. I did not know that Coupplès surveyed the claims in July, but as apparently he did, it would seem to me that this could apply as assessment work."

## · · WESTERN FUEL COMPANY.

340 Steuart Street.

### Coal:

New Wellington,  
Dunsmuir Wellington.  
Comax.  
Beaver Hill.  
Coke.

### Building Materials:

Standard Portland Cement.  
Red and Repressed Brick.  
Santa Cruz and Alabaster Lime.  
Marbleite Hard Wall Plaster.  
Carnegie Brick, Terra Cotta and Sewer  
Pipe.

San Francisco, October 9, 1906.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans: I am much obliged for your letter of October 5th, covering copy of one from you to Reidle. Isn't it a disgusting nest into which we have landed.

Reidle gave us every possible assurance and agreed to warrant his possessory rights against any previous adverse claimants. Then Rose & Craven passed favorably on the title he claimed to have, and now we find that this gang has found or thinks it has found some weak spot in his position, and have been encouraged to jump.

I think there is enough grief piling up in the north to induce me to start for there on Saturday P. M. and I shall wire you if I so decide.

If Zender is mixed up in that jumping business, I

will order him instanter out of that house where he is living rent free. I think that with C. W. Howard's assistance we will get away with that [327—121vv] gang but we *will Reidle* on the rack and keep him there until he clears up this trouble.

There is not much of news. Bachman is in the east. I saw a wire from him today saying that he was pleased with the work doing on the Atlantic plant, but they are trying to make some kind of a new deal on the Dexter factory.

The N. P. R. R. wants from Sumas

3.00 to Portland

1.40 to Tacoma

1.00 to Seattle, etc.

I am now an advocate of Barges or Steamers from Bellingham to all tide-water points.

I quite expect to see you in the early part of next week.

Yours very truly,

JOHN L. HOWARD.

JLH."

"(Copy) Seattle, Washington. Oct. 5, 1906.

John L. Howard, Esq.

#340 Steuart Street. San Francisco, Cal.

Dear Sir: Yours of the 27th to hand, also your telegram of October 4th, which was answered. I sent to Mr. Evans a certified copy of the Birdwell protest, and a certified copy of the affidavit of Reed corroborating Birdwell's affidavit of protest. I have been absent from the city, and my clerk attended to that while I was away.

Since my return I have gone to the Land Office, and requested them to give us an early hearing of the protest, and they have agreed to get out the notices as soon as they can, fixing a date for trial. At least thirty days notice is required by law to be given from the date of service, and the hearing cannot be had earlier than some time toward the latter part of November, so that will give you plenty of time after the date is fixed within which to get here and have your evidence looked up.

I will notify you just as soon as I receive word of date fixed for the trial.

Yours respectfully,

F. F. RANDOLPH.

Send to Mr. E. E. Evans,  
Vancouver."

#### "WESTERN FUEL COMPANY.

San Francisco, October 9, 1906.

Mr. Percy W. Evans,  
Vancouver, British Columbia.

Dear Mr. Evans: I am much obliged for your very full letter of the 1st about the Jarvis Inlet Slate proposition, and showed it to Mr. [328—121ww] Dingee today. He is inclined to treat the matter cavalierly, because it cost so much to get his quarry in a stated of preparedness and I think his general disposition is to underrate the strength and value of all his business adversaries.

It may be that when I next go north, if time permits I would like to run up and have a look at the deposit, so that I may report to him what I actually



see, and will then give him such suggestions as will be of value to him whether he accepts them or not. I may possibly arrange that we could represent both products and so avert a profitless scramble in territory where one may sell with better results than the other.

Yours very truly,

JOHN L. HOWARD.

JLH."

"Oct. 6, 1906. H.

John L. Howard, Esq.,

87 Vernon Street, Oakland, Cal.

Dear Mr. Howard: Since writing you yesterday, I have had a conversation over the telephone with Mr. C. H. Howard, who states that he had a very satisfactory interview late yesterday afternoon with Mr. R. S. Lambert, particulars of which he is now writing you, and will send me a copy, which I am anxiously awaiting. I notified Reidle by telegram that adverse locations had been filed over his claims, and asked whether he recorded the assessment work within sixty days after the discovery, and whether \$10 worth of work was done on each claim irrespective of trails, and how many stakes he put on each claim. The following is his reply:

'The location was recorded the same day as discovered. Forty Dollars work done in time in making the trail, Stakes were put on the claims according to law.'

This, of course, is extremely vague, as he does not say whether the assessment work was recorded or

not, which is an important point. However, no doubt his letter will fully explain matters.

Yours faithfully,

Dict. E. E. E."

"Oct. 3, 1906. H.

Jno. L. Howard, Esq.,

87 Vernon Street, Oakland, Cal.

Dear Mr. Howard: I did not go to Bellingham until yesterday, as the papers you asked Randolph to send me had not turned up by Tuesday evening asking whether they had been mailed, and as I got no reply by 11 A. M. on Wednesday, I telephoned his office, and found that Randolph was away. However, I arranged with his stenographer to send the papers to me to Bellingham, but unfortunately she only sent Birdwell's affidavit, having overlooked Snyder Red's which I asked her yesterday over the telephone to send addressed to me care of Newman & Howard of Bellingham, and gave Howard the authority to open the letter, so I left there without any opinion [329] —121xx] on the perjury question, but Howard thinks it would be extremely *ibjudicious* to take any action in this respect as Reid's crowd might retaliate by starting a prosecution against you, and thus cause a whole lot of annoyance.

Reidle's claim: I can quite realize how you felt at the interview with Dingee and Bachman, and I must say that I am very much upset at the position of affairs now. Before you receive this you will have received a copy of my hurriedly written letter to Reidle this morning, and you should also have received a long letter from C. H. Howard giving full

details of the claims staked by Van Valkenberg and others on this land, and I am afraid it will take months to straighten the matter out, unless, as suggested by Howard, he can arrange with Lambert to get rid of these jumpers, and have the claims properly staked for a consideration. If Reidle has staked out the Mount Baker and Mount Olympia claims properly, and which are really the important ones, I don't think there will be much difficulty in holding them, as I do not think there can be any question but that over \$10 was spent on each of the claims at the time that Reidle went up with Coupplés to survey the trail as he did a certain amount of slashing, and Howard seems to think that even if the \$10 assessment work was not recorded in the requisite time, the work done in July will prove that the claims were not abandoned, and with all due deference to Howard I don't believe the Government would take advantage of the technicality about the cutting of the trail, not counting as assessment work, and naturally I am very anxious to get his reply to my letter.

I saw Mr. Lyle, and he states that he was on the ground on the 19th ult. which must be correct, as we know that he left Bellingham on the afternoon train on the 18th. He states that the log shack is only just completed, and that his man had been on the claim all the time with the exception that he came down to Bellingham yesterday to draw his pension, he being a pensioner.

Lyle seems to think that the jumpers don't know he is there, as the cabin is built some little distance from the trail. Supposing we can get rid of the

jumpers, it will take some time before we can prove up on the claims, as I understand that after doing the \$500 assessment work on each claim we have to advertise for 63 days, at the end of which time if there are no adverses, we are entitled to the patent, and the land is ours, although it would probably take many months to get the actual deed from Washington.

Stone and Timber Claims:—Referring to yours of the 27th ult. as stated above, Mr. Howard thinks it would be injudicious to threaten Reid with prosecution for *prejury*. However, on receipt of his affidavit, he may offer his opinion. He also thinks, and I somewhat agree with him, that seeing that Peter Zender's name appears as one of the jumpers on the Reidle claims, he should be instructed not to proceed with the work of clearing the ledge, as, if he uncovers same any more, it will be detrimental to your interests.

Howard showed me a letter he had written you with regard to a remark made by the Chief Clerk in the Seattle land office about not allowing limestone to be taken up under the Stone and Timber Act. As far as I *am* can recollect, Randolph was positive that it could be, and Howard seems pretty positive also, so it appears to me very strange that this man should make the statement. [330—121yy]

With regard to the case of Bonney V. Reidle, which Howard quotes, this is the litigation we had in connection with the No. 1 claims, but my recollection of the affair is that the claims staked in question were quartz claims, the stakers claiming they

had found gold quartz, assaying about \$3 per ton, although Howard states that the staking was for placer claims. However, I will write Reidle about this.

I understand the date for trial of your contest has not yet been fixed. Howard thinks it extremely advisable that you should be present when it comes up, but he states that of course he has nothing whatsoever to do with the suit, it being Randolph's, so on the latter's return I had better consult with him. He is expected to be in his office on Monday.

No. 1 claims:—I note all you write with regard to these and Dr. Bachman being disappointed at missing them. As I did not think it advisable for me to meet Lamber, I asked Howard when he got hold of him, to ascertain exactly how the matter stands. It appears that Lamber is not a relative of Howard, but is a very close friend, and he is also a kind of an agent at Sumas for the B. B. & B. C. Railway.

Yours faithfully,

Dict. E.E.E."

"Please address me at 87 Vernon Street, Oakland, Cal.

Oakland, 10/4/1906.

Dear Mr. Evans: I am in rect. of yours Octo. 1st. I sent check to Snyder Reed for \$20 immediately on my return home, but as yet I have no acknowledgement.

I became uneasy at not hearing from Randolph about the date for the hearing at Birdwell's protest, and wired him today. He replied that no date had yet been set. This seems very singular, because



when I was there with him, he requested that an early date should be set, but in the absence of the Land Agent, the Clerk could not fix a time. If you should go to Bellingham after receiving this, you might ask Mr. Howard to phone the Land Office for the information.

I have an undefinable and instinctive distrust of Randolph. Yes, I know that the full assessment work should be done on Reidle's 80 acres, and I have explained it to Bachman. He went east on Sunday last, and if I find tomorrow that he will be long absent, I will go north soon and arrange to do the whole of the assessment work before Decr. 31st, and end that agony. Stockett is back in Nanaimo arranging to resume the work at Northfield. He has not found that vein on the lower level, but left his men there to find it if it is to be found. I had Graham's sample analyzed, and the quality is all right. Galbraith & Co. have an option on a large and valuable deposit of lime rock on Skagit River, and I have wired them to pay for an extension until Bachman or I could examine it. I saw R. Balfour and A. B. W. at lunch on Tuesday, but nothing was said about cement.

Dingee phoned me this P. M. that more of the R. R. stock had been put in escrow. When he takes this up, he will control and influence two-thirds.  
[331—121zz]

I hope you are well. I am working like a slave.

Yours truly,

JOHN L. HOWARD."

(Extract from letter Elijah Smith.)

“Billings, Mont., Sept. 27, 1906.

I am sorry you run up against such a condition of affairs with respect to proving up on your 80 acres of land, and that somebody tried to blackmail you or hold you up. These things seem to be a part of the program of all up-to-date business transactions, and while I used to like to get into these pugilistic contests, I am frank to say they are less enjoyable now. I have no advice to give you about punishing the people after you win your battle. The play is not worth the candle as a general rule. I hope Mr. Many is not a party or part of the opposition, although from my talks with him, I presume you are in antagonistic relations with him, although he assured me that he had his property so that you or your people could not acquire it, although he expressed a desire to have me stay over a day and bring you together.”

(Extract from letter Sept. 26th.)

I wired Mr. Maney to meet me at the train, and he did. He told me you were at the hotel, and desired to have me come up and see you, and had in mind the possibility that I might bring you and him favorably together, at least as to knowing each other, but I was overdue here and with people waiting for me could not gratify him nor myself either, as under other circumstances I would have been pleased to do.”

“Dear Mr. Evans: Here are extracts from personal letters from Elijah Smith with whom Maney was coquetting for capital. It merely shows

Maney's attitude, and one of the Bellingham papers clearly alleged that he was connected with the jumping movement.

JLH."

"Oct. 1, 1906. H.

Jno. L. Howard, Esq.:

340 Stueart St., San Francisco.

Dear Mr. Howard: I am in receipt of your favors of the 27th ult. with various inclosures, and as soon as I get the paper which you asked Mr. Randolph to send me, which should arrive to-morrow afternoon, I will at once go off to Bellingham and I hope to catch the early morning train on the 3rd inst.

I do not attach much importance to Mr. Howard's remarks with regard to the Reidle claims, but my opinion is that the \$500 of assessment work on each claim, say \$2000 altogether, should be done as rapidly as possible, and the patent applied for. I am beginning to think that we shall receive a favorable report from Mr. Stockett, seeing that he has been such a long time away, as I am sure that he would not be absent from Nanamio if he did not think it was worth while.

Yours faithfully.

Diet. E. E. E. [332—122]

I omitted to send you the enclosed copy of letter I wrote Snyder Reid with the object of drawing him. He has not replied."

“Oakland, Sept. 29, 1906.

Dear Mr. Evans:

I saw Dingee and Bachman to-day, but only for a few minutes. Bachman goes east on Sunday and Dingee was danming about like a bear on a hot plate. This is not an offensive comparison, but both were mentally excited about the Napa strike, their multifarious schemes, and a 2:30 P. M. engagement.

Morrison, their lawyer, has made a warranty deed from Bachman to the new cement co., and they all seemed surprised after all my many explanations that Reidle had not sold them the land but only what he had, i. e., the possessory rights under his placer claims to those 80 acres. You see, it becomes imperative that we should preserve those rights until the proved amount of assessment work shall entitle Bachman to a U. S. patent.

As I wrote you, Lyle the Engr. was instructed to place a trustworthy man to live on those 80 acres, and to do labor which would count as assessment work until Pachman should attack the quarry face in earnest, or should send a representative there to take charge and relieve us of further responsibility. I don't know what kind of searches were made by Rose & Craven that Howard could find in Reidle's title so many possibilities of trouble, nor am I quite sure what conclusion Howard may have reached regarding it, but we don't want anything to happen to it, and when you go to Bellingham, kindly see whether any steps are necessary other than those I have taken with Lyle, to make Bachman's position secure. If necessary, I will arrange to spend the necessary

\$2000 before the end of the year on the Reidle claims, then submit the proof and get the U. S. Patent, and end the agony.

I explained to Bachman the position in which I found the No. 1 claim and altho' I explained that it has been sold or so reported, he seemed quite disappointed that he missed it. When you go to Bellingham, will you see whether you can find out the status of that property, and whether it is still purchasable. I should be afraid to try Horst, but someone told me that Van Valkenberg's partner was a relative of close acquaintance of Howard's. If it may be had at anything like a fair price, you might wire me.

I am being worked night and day. Nothing from B. G. & Co. R. B. returned last night from a trip to Sacto. valley.

Yours truly,  
JOHN L. HOWARD."

"WESTERN BUILDING MATERIAL  
COMPANY.

340 Steuart Street.

Cement.

Brick.

Lime.

Sewer Pipe.

Plaster.

Terra Cotta.

Roofing Slate. [333—122a]

San Francisco, September 27, 1906.

Ernest E. Evans, Esq.,

Vancouver, B. C.

Dear Sir: I am sending you by this mail, first, certain papers sent me by Randolph which are not complete; secondly, a copy of my letter of this date



to Randolph requesting that he send you certain copies of the Birdwell protest and its accompanying documents; third, a circumstantial statement by me of my connection with this stone and timber claim, together with copies of certain letters and telegrams which passed between you and me. Upon the receipt of the documents from Mr. Randolph, I would be very glad indeed if you could pay a visit to Bellingham, and take this matter up with Mr. Howard, of the firm of Newman and Howard. Show him the inconsistencies and contradictions of the statement made by Reid in his evidence for and against me. My purpose is to see whether the character of this evidence is such that a charge of *prejury* could be made to lie against Reid, and if it can, to see whether Mr. Howard could send for Reid, show him the position in which he put himself, and use that as a pressure to have Reid make Birdwell withdraw his protest so that I would not be compelled to make a special visit to the north, to defend my claim under my filing. There is so much of important work going on here that unless there is some important necessity for my leaving, I do not want to again go north this year.

Yesterday I had C. W. Howard of Bellingham appointed as the agent of the Northwestern Cement Co. to accept service for that corporation in the state of Washington.

As to your letter of September 22nd. If properly equipped, I think that we can transport cement from Bellingham to Seattle and Tacoma for less than the figures you name but I have no doubt that either now

or ultimately, we will get from the Railroad Companies the rate that we asked.

There are no new developements in the cement situation. 'I reached home at midnight on Saturday instead of 8 A. m. and have seen Dingee for a few minutes only. He and Bachman are engaged in breaking the strike at Napa and they will succeed. I expect to meet them at luncheon tomorrow, when Bachman will come to the City. They will go ahead at Kendall, although they have now lost several valuable months, and I have advised Dingee to take up the Railroad option and put himself in control of that property so that he would be in position to do what he wants.

From your letter, I would assume that B. G. & Co. had put a price on their property subject to a selling contract, and had given their property to Aman Moore to handle.

Stockett is still in the mountains at Glacier, and when he next gets out, I will know something definite.

Yours truly,

JOHN L. HOWARD.

JLH/EGO."

"September 27th, 1906.

F. F. Randolph, Esq.,

413 Pacific Block, Seattle, Wash.

Dear Sir: Your letter of September 21st enclosed a certified copy of testimony of Howard, Reidle, Snyder Reid, but the copies of the [334—122b] Birdwell papers did not contain the allegations of Birdwell in making his protest. Will you be good enough to send to Mr. Ernest E. Evans, Vancouver

B. C., a certified copy of the Birdwell part of the papers. I am sending to him the other certified copies which you forwarded so that he may take up for me the matter hinted at in the last paragraph in your letter. Your prompt attention will greatly oblige.

Yours truly,

JLH-EGO."

“WESTERN BUILDING MATERIAL COM-  
PANY.

340 Steuart Street.

Cement.

Brick.

Lime.

Sewer Pipe.

Plaster.

Terra Cotta.

Roofing Slate.

San Francisco, Sept. 27, 1906.

Mr. Ernest E. Evans,

Vancouver, B. C.

Dear Sir: Herewith I send a long document from Mr. Howard bearing upon the title to the Reidle claims.

I went into it and came out of it with an attack of brain fever. When can any man feel secure in his title as against jumper rascals versed in this department of the law.

Will you please take up this matter when you go to Bellingham, and see where we are at? Because of this constant uncertainty, I instructed Mr. Lyle, the last engineer, to select a good, reliable, man, to build a log house on the Reidle 80 acres, and to stay there with a shot-gun if needed.

Will you kindly see Lyle, and learn what he did in that matter, and what arrangement be made of clearing the ledge. I have heard nothing since I left him two weeks since.

Very truly yours,  
JOHN L. HOWARD.

J.L.H./E.G.O."

"Nov. 1, 1906. H.

Jno. L. Howard, Esq.,  
87 Vernon Street, Oakland, Cal.

Dear Mr. Howard: I have had some conversations over the telephone with Mr. C. L. Howard, and have before me copy of his letter of the 29th ult. but do not know what has passed between you within the last two days. What I suggested to Mr. Howard was that he should try and arrange for the \$2000 to be put in the Bank in escrow together with deeds covering the claims from the Birdwell crowd, and then let Reidle and them fight it out between themselves, but he states that this could not be arranged. After this, I suggested to him, that if he could not do otherwise, it would be better to arrange to have Birdwell put up his deeds in escrow to be delivered up in exchange for payment not later than the 20th inst. so that in the event of the decision in the stone and timber claim being against you, it might be good policy to get Reidle to fight them on these claims, as I presume that unless you get the stone and [335—122c] timber claim being against you, it might be good policy to get Reidle to fight them on these claims, as I presume that unless you get the stone and timber claims nothing definite can be done with

regard to the plant for the present.

I duly received copy of Mr. Randolph's letter to you about your case, and sent a copy of same to Mr. Howard, and had a conversation over the telephone with him on the subject. It is peculiar how these lawyers differ. Howard attached very little, if any, importance to the question as to whether you are taking up the land for your own benefit, whereas you see Randolph claims that it is the most important point, and that there is no question that limestone can be taken up under the Stone and Timber Act. On the other hand, Howard still claims that it is very doubtful whether it can be.

You will note from Howard's letter and telegram to you that Maney is quite active, and apparently has got the ears of Sam Hill, who is well off, and has a large following, and he is a particular friend of J. D. Farrell, who, of course as you are aware, knows all about the Balfour property, he having examined it personally himself.

It was a relief to me to hear that the mortgage on the Watson property would be taken up by the Venders.

I was much taken back at receiving a telegram from Baillie yesterday advising me that our old friend Mrs. Robt. Bruce died on Sunday last,

Yours faithfully,

Diet. E.E.E."

"Nov. 3, 1906. H.

John L. Howard, Esq.,

87 Vernon Street, Oakland, Cal.

Dear Mr. Howard: I received a telegram from



Reidle last night from Bellingham, asking if he could see me here today, to which I replied in the affirmative and *immediate* wired you that he would be here, and asking whether you wanted me to get anything else out of him beyond trying to persuade him to pay 2000.00 demanded by Birdwell. He turned up in the office this morning. It appears in the meantime that he has been consulting some lawyer in Portland on his way up. He also consulted Randolph, a copy of whose opinion I enclosed. He wants to do the fair and square thing, and is quite prepared to fight the cause, and if lose the case to refund the \$6000.00 together with interest. However, I told him that this was out of the question, that we must have a settlement promptly, with the result that he offered to pay \$1000 towards the \$2000 demanded by Birdwell, which, under the circumstances, probably is fair. I telegraphed this on to you, and now await reply. I had a talk with Mr. C. L. Howard over the telephone, and I told him that in the event of our compromising Birdwell that I thought the claims should be re-staked in Dr. Bachman's name strictly in accordance with the law so as to prevent any re-jumping as suggested by Birdwell, but he did not seem to think that this was necessary; however, there appears to be no question in my mind that the advertisement making application for the patent should be inserted in the papers without delay, as the \$2000 of assessment work could be done before the 60 days were up.

Reidle bought a new blue print in Seattle, and found out [336—122d] from same that Maney

and Butler had made applications under the Stone and Timber Act for all the land covered by the 'A' claims, and that their time for proving up in on the 6th inst. If their application is granted, it is conclusive evidence that limestone can be taken up under the Stone and Timber Act. Reidle states that he will prevent these people getting their patent, as he will write fully to the Land Office at Washington, D. C., and point out that the land is being obtained by fraud, as he applied for the land some years ago under the Stone and Timber Act, and it was refused, in which case he states that the land will be thrown open again, and in the meantime he will have the claims staked.

Yours faithfully.

Dict. E.E.E. Enc."

"Oakland, Nov. 3rd, 1906.

Dear Mr. Evans:

To your t/d's of Nov. 2 and 3rd. Kindly use Western Union if possible. The Postal Co. is very derelict about delivering. Your message of last night came at 11 A. M., and that of 3rd was delivered at 3:30 p. m. I answered both at once advising that Reidle pay \$2000, and I will repay half. Were it my own case, I would act under Randolph's advice to Reidle, and fight those highwaymen, but I am urging Dingee to start, and when he reaches N. Y. he will urge Bachman to meet me in the north and begin preparations. I don't want any litigation or trouble to cause delays, and if they will not pay the \$1000 I will. They will pay it, although no one should have to contribute a cent to those ghouls. You

will doubtless think to have the settlement safe thro' Mr. Howard, and then I trust that there will be no more trouble over the Reidle claims. I understood from him that Maney had filed as stone and timber on Claim No. 2, and when you mentioned it, I was not sure whether your allusion was to that or to my 80, because I think Maney has bo't Birdwell's jumping rights on the latter and he might be fortifying his position. It must refer to Claim No. 2, and if he proves up on that as S. & Timber, then Reidle's proposed attack on that claim thro' Phoenix will fail because assessment work does not apply to stone and Timber.

Query:—Should not Bachman file as Stone & T. on Reidle's 80 acres, and get title, while he is doing assessment work under the placer claims. If so, it would eliminate the assessment work feature.

Did you hear the results of the visit of Mr. London, with Emery, the S. F. Chemist. Doubtless you learned of the death of Mrs. Bruce on Sunday last. I attended the house services, but think he is staying at home since on acct of his eyes. I have been quite ill with a cold since my return. Am preparing to go north on 12th and am coaxing Mrs. H. to go and take care of me.

Yours,  
J. L. HOWARD."

"WESTERN FUEL COMPANY.

'San Francisco, Nov. 3, 1906.

E. E. Evans, Esq.,

Vancouver, British Columbia.

Dear Sir: I enclose copy of a letter received from

Reidle. He [337—122e] wants to fight the jumpers. I want him to settle and to get them out of our way. I was satisfied that Meeney is behind this whole attack. Evidently he has bought Birdwell and Croy's claims on my 80 acres. Reidle was due at Bellingham yesterday. I asked Howard by wire if he had reported, and whether he was amenable to argument for a settlement. If not, I will send him a hot wire.

Dingee goes East on the 8th. Bachman will await him in New York. The strikers have given up the fight. The deed from Bachman to N. W. Cement Co. is being re-written. Dingee is President, and has signed the bonds, and left them with the Trust Company. I am trying to have Bachman leave New York for Seattle to go to Bellingham with me, and arrange to turn loose. All our troubles might have been avoided if he had jumped into the game in July last.

Yours truly,  
JOHN L. HOWARD.

JLH."

"COPY.

Montavilla, Portland, Ore., October 31, 1906.

John L. Howard, Esq.,

San Francisco, California.

Sir: Your telegram received yesterday. I also have sent answer.

'Will proof proper location. Start Tuesday for Bellingham.'

I am very sorry of the delay in this matter, but I

myself have done all my best what I could do. I was six days in Bellingham, and Mr. Howard, the lawyer, has spent only time for making two small affidavits on Friday evening and Saturday before the train leaving South noon. He would not hurry up.

I, myself, got up to Bellingham, and if Mr. Howard don't go ahead with these people, I myself take on another lawyer and get an injunction against Reid and Birdwell. Then I will *proof* that I located proper.

I am sorry it may be a delay a couple of months, but I don't want to be beaten morally and financially by blackmailers. I believe you will agree with me if you take my view.

Yours very respectfully,  
(Sgd.) D. W. REIDLE.

I have seen Mr. Burns of B. G. & Company. He is still waiting for a move from you to meet them. R."

“(Copy for Mr. E. E. Evans.)

San Francisco, Nov. 3, 1906.

Mess. Newman & Howard.

Bellingham, Washington.

Dear Sirs: When first I saw Reid I expressed distrust of him, but then did not think that I would have any direct or indirect dealings with him. Reidle was due with you yesterday, and I am writing you to know if he reported, and whether he was amenable to arguments about paying and getting Reid et al. out of our way. He wants to fight, but if he is confronted with the statements [338—122f] made by Reid as to remissness in originally complying with



all the regulations, he may soften up.

As to my own 80 acres, Randolph says the most serious allegation in Birdwell's protest is, that I did not take up the land for my own use and benefit.

The burden of proof is upon him, and as the Cement Company officials will be in the east at the time of the hearing, I will be the only available and competent witness on that point. If any confirmation of my statements be needed, I could get Bachman to come to Seattle from New York a few days after the hearing provided an adjournment could be had.

I have read your letters carefully, and note all you say about the relative merits of the different claimants on the Reidle claims. But the matter is up to Reidle. I am powerless, except that I shall try to sand-bag him into buying off this gang of ghouls. I will see you on or about November 16th. Maney is the chap who bought the Birdwell and Croy filings on my land.

Yours truly,

JLH."

"Nov. 5, 1906. H.

Jno. L. Howard, Esq.,

87 Vernon Street, Oakland, Cal.

Dear Mr. Howard: I received your telegram dated 3d inst. early yesterday morning, and immediately wrote Messrs. Newman & Howard and Reidle to Bellingham, as per copies of letter enclosed. I got both Howard and Reidle on the telephone this morning and they are starting to arrange matters. I strongly impressed upon both of them the necessity

of being put into a position so that the claims cannot be again attacked, and have left the responsibility on Howard's and Reidle's shoulders, and they are very carefully going into the question. As I believe it will be necessary to get the two Birdwells together, it is quite possible that the settlement may not be made for some days.

I note what you write with regard to Maney & Butler's application for stone and timber claims. You apparently misunderstood my telegram, although I thought that by mentioning the claims as "A," as they are so marked on the map, you would have understood they were the claims that Van Valkenberg sold to these people, and which sometimes have been called No. 1. Reidle will be in Seattle early tomorrow morning to find out the exact position. With reference to the guarantee about the completion of the works, etc., Mr. Howard advises me that it will not be necessary to give any such specific guarantee as you state it will only be a nominal thing, which would not hold water. In the face of it the request is an absurd one, made by ignorant people.

Yours faithfully,

Dict. E.E.E. Enc."

"Nov. 5th, 1906.

Dear Mr. Evans:

I am just in rect. of yours Nov. 1st. No one could be more positive that Randolph that limestone land may be taken [339—122g] up under the Timber and Stone Act. Howard is only in doubt as to this under construction that he has put upon some Land

Office rulings. Randolph took the step for me and as it is now too late for me to correct, I must stand, or fall, on his opinion. Dingee today approved of my act in assuming \$1,000 of the am't Reidle is to pay to get Birdwell's talons out of him, and he offered to send me his check. He has sent to Bachman in New York a letter I wrote urging him to come to Seattle from the East, and to be there as nearly as possible to November 16th. I want him to get busy and at once. This fooling away time is an invitation for others to get started first. Dingee told me today that he had already placed \$200,000 Northwestern Cement bonds at 1 for 1. Have not seen Bruce since the funeral, but hearing that he was to be at the office today, I went purposely to the club to see if he would not go north with me leaving here on Monday night next. I want him to see the mining properties, and have no earthly objection to his knowing anything that I may be doing at Bellingham. If he will go, it will do him good to get away.

The R. R. embargo to S. F. has interfered with our brick shipments, but it was raised today. During last two months we have averaged two millions, and the Supt. will try for more in Nov. I go there tomorrow P. M., and am hoping to pay in Decr. a 6% dividend on \$180,000 capital. Expect to pay more in 1907.

There should be another 2½% from Western Fuel in Decr.

Yours,

J.I.H."

“Nov. 6, 1906.     H.

Jno. L. Howard, Esq.,

87 Vernon Street, Oakland, Cal.

Dear Sir:—I have yours of the 3rd inst. enclosing copies of letters you received from Reidle and sent Newman & Howard, contents of which I note with much interest. For your guidance last evening. I received the following telegram from Reidle from Bellingham:

‘I start for Seattle, matter here arranged two thousand dollars deposited for settling claims. Letter written.’

I thought it best to send him to Seattle to watch matters in connection with the Van Valkenberg claims, which Maney and Butler are endeavoring to take up under the Stone & Timber Act.

I have a personal letter from Baillie asking if I can meet him in Seattle next week in connection with our shipping business. He also mentions that he would like to have a talk with me with regard to the cement situation, and the following extract may amuse you:

‘I see you continue to hobnob with Howard, and his other cement friends, and this is a matter I want to talk with you about when we meet.’

So I think I will make an appointment with him for the 16th, but if you want me to be there on the 15th kindly telegraph me.

Yours faithfully,

Diet. E.E.E.” [340—122h]

“Nov. 8th, 1906. S.

J. L. Howard, Esq.,

87 Vernon Street, Oakland, Cal.

Dear Mr. Howard: I am in receipt of your favor of the 3d inst. and quite agree with you that it would be extremely advisable if Mr. Bachman could secure the title to the Reidle claims under the stone and timber act. I do not see why he should not be able to, except that he could not make the affidavit to the effect that he was taking up the land for his sole benefit, etc. I will consult Mr. C. L. Howard on this point as soon as I can get him on the telephone.

With regard to Mr. London's visit with Emery, I have been unable to get any particulars, but no doubt when I see Baillie next week, he may be able to give some information as to what they intend doing.

I was more than annoyed this morning to receive from Mr. C. L. Howard a cutting from the Puget Sound American, a copy of which he has also sent you, with regard to the erection of the works. I don't believe for a moment that Reidle gave any information whatsoever, and cannot help but think that the leakage is through Howard's office, through Purdy or Hyatt, or Paige, but I hardly think the two latter can be mixed up in it. Reidle has been warned both by Balfour's and ourselves many times about divulging anything to anybody, however. I will write him pretty sharply on the subject, as a report of this description is likely to be prejudicial to your getting title to your land.

For your guidance, I enclose letter received from Reidle. I have not had time to have a copy made.



so you can hold it for reference.

I am extremely sorry to hear that you have been under the weather with a severe cold. I have also been most unfortunate in this respect, and should have been in bed. However, the worst is over now—at the same time I feel pretty miserable.

Yours very truly,

Dict. E.E.E.”

“Oakland, Nov. 8th, 1906.

Dear Mr. Evans:

I have your letters Nov. 5th and 6th. Have no reply to my last letter to Mr. Randolph, copy of which I sent you.

I will wire you tomorrow advising you to be Seattle on 15h. Randolph may need you. Will also write Reidle to be there. I won't subpoena Reid because he will probably be there for the protestants. Howard has wired, viz.:

‘Unconditional quit claim deeds to Purdy from Lambert, Van Valkenberg, Reid, Sam Birdwell, Matt Birdwell, for each half of SW. 1/4 just filed for record.’

This ends the agony over the Reidle 80 acres. If I can knock out the sand-baggers on my own claim, the atmosphere will be entirely clear. I am daily expecting a telegram from Bachman at New York saying if and when he will come west Via Seattle. I want to be entirely relieved of responsibility, now that I have secured what property he wanted, and have had the shadows lifted from it. It is now up to [341—122i] the construction end of the outfit, and I want them to take the business off my hands,

and begin quickly to saw wood.

I note your quotation from Bailies letter; Bruce and Williamson met me on Thursday at the club, and referred in a jocular way to that Bellingham newspaper article, where you and I were accused of jumping land. I side tracked the conversation by saying that there was nothing in it, and that I had the power to connect the real jumper of perjury. I think they would have liked to continue the subject, but that phase of it is not an agreeable one to me.

In so far as the main part of this matter is concerned, I long since made up my mind that I would not be a buffer between two irreconcilable parties with irreconcilable ideas. If the subject should again get warm, and I see a reasonable chance of bringing them together, I will do what I can.

The starting of a factory by either or both, may work a change in the mental attitude of either or both, and if that becomes apparent, I may again try the mediation business, but with anything like B. G. & Co.'s last proposal, my intervention would be time lost and labor wasted.

Hoping to see you on Nov. 15th, and that this may prove to be the last of the trouble at Kendall,

Yours truly,

JOHN L. HOWARD."

"27th Nov. 1906. M.

John L. Howard, Esq.,

87 Vernon Street, Oakland, Cal.

Dear Mr. Howard: I caught Randolph on the telephone yesterday afternoon. He stated he had taken

no action whatever in connection with your timber and stone claim as he was in hopes of seeing you on your way through. The Land Office has discovered that the land is covered by the Proclamation in connection with the coal lands, however, all the papers in connection with case have been forwarded to Washington, and they expect to hear within 30 to 60 days that the reserve has been lifted, therefore, in consequence of this, Mr. Randolph has not spoken to Mr. Gregory. He states, however, that it is practically certain that Gregory will make application for an appeal before the time expires, therefore, I told Randolph that I thought it was advisable, that at the first opportunity he had, he should try and effect some arrangement with Gregory, so that Notice of Appeal was not put in, and that you will get your certificate as soon as the Land Office in Washington decides that the land is not coal land, and he has promised to let me know the result of his interview with Mr. Gregory.

Yours faithfully.

Diet. E. E. E."

"Oakland, Dec. 3, 1906.

Dear Mr. Evans:—

I saw Dr. Bachman today. He returned from the east on Tuesday night. There are three brothers, Stewart by name, who are constructing the works for his Atlantic Cement Co., in Penna. One of the brothers is on the way here, or is about to leave the [342—122j] east. He and Mr. Roseberry, the supt. at Napa will leave for Kendall,—the one to locate the factory, the other to see what equipment may be

needed for construction purposes—I mean not the material, but the apparatus needed for erection, and this the Dr. says is ever now being assembled by Steward Bros. in Pemma. He is greatly pleased with the speed and character of their work, and he wants to make the dirt fly. I have explained to him all the trials and tribulations we endured in connection with this land matter, and he understands it.

Bachman's new deed to the cement Co. covers the Watson and Zender tracts, and while it purposely omits the Reidle claims he will convey this land as soon as he obtains title. The deed of trust from the Cement Co. likewise omits the Reidle claims, but covers all property that may hereafter be acquired. So that as soon as Bachman obtains title and conveys it, the Reidle claims will come under the Mtge.

This clears the way for the floatation of the Co. and the issuance of bonds and share, but no steps have as yet been taken.

“I did not know what effect this start may have upon the plans of your friends. As I told you, after the submission of their proposal and its rejection by Dingee, I resolved not to be a buffer between two irreconcilable parties. Still, if they make a new proposal which I think has a chance for consideration, I will yet do what I can to bring them together. There is not much hope in the situation, however.

Yours truly,

JOHN L. HOWARD.

P. S. Immediately he returns, will you please see Mr. McNeill and smoke out of him all you can re-

specting the power proposition. He was to discuss the matter with Mr. Kennedy in Montreal. Get, if you can, some idea as to the rate and the date when they can earliest furnish the juice. The construction of the line from the boundary to Kendall may be overcome by the Cement Co."

## “WESTERN FUEL COMPANY.

San Francisco, December 10, 1906.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Sir: I saw Dr. Bachman on Saturday, and learned among other things in brief, that the Atlantic Cement factory in Pennsylvania 'Would be a winner.' That he and Dingee had secured control of the Northampton Mill adjoining it, which I saw. That Santa Cruz would not ship commercial cement until March because they are awaiting stuff that has been three months on the rail. The kilns, roaster and mills on the 'raw side' are in place and could be started at once, but for the absence of a few fittings, and the lack of a few additional cement mill-wrights to put on finishing touches.

His intention is to start this as soon as practicable and accumulate a large quantity of clinker that it may 'age' before being ground. In my own mind, I have fixed April 1st as the date of beginning.

I have had no word from Randolph about Gregory's appeal. [343—122k] Bachman is still daily expecting a wire that the contractor Stewart has started for San Francisco to join Roseberry and go to Kendall. A 5,000 barrel plant such as they pro-



pose is an immense thing, as I hear from those who have seen Santa Cruz. He mentioned during the conversation that he would have to get some N. W. Cement Company's bonds to make deliveries to the subscribers for \$150,000 at Napa, as he would soon begin to need money.

I brought up the subject to my relation to the new concern, but at once saw that it were better to leave that subject until the arrival here of Dingee, who leaves New York December 26th. As Bachman stated the matter some months since, his idea was to allot me \$600,00 in shares, in case I did not undertake any underwriting and \$900,000 in case I would undertake to place \$300,000 in bonds.

I will undertake the latter because in no other way can I take care of some friends on the basis of two for one.

I had long ago determined to set aside for you \$100,000 out of my allotment of stock besides letting you have, if you wished, \$50,000 or more of the bonds, carrying two for one, and further to share with you whatever additional I might be able to get from Dingee under his remark that he would see me satisfied.

I shall have to make a further division of my allowance here, but to what extent, I do not yet know, but as the company intends floating the scheme on the basis of one for one, I shall try to save as much out of the \$300,000 stock as I may be able to do. I will get Dingee's answer by New Year's day, and I think I will succeed with him.

Some subscriptions have already been handed to

me.    What is your present mind.

Yours truly,

JOHN L. HOWARD."

"12th December, 1906.    H.

John L. Howard, Esq.,

87 Vernon Street, Oakland, Cal.

Dear Mr. Howard: I duly received your favors of 3rd and 7th inst., but have delayed acknowledging same, hoping that I should have something definite to report to you from Mr. Randolph in connection with your stone and timber claim, but unfortunately, owing to the severe storms we have had, the telephone wires between here and Seattle have been down, and I did not care about writing or telegraphing him.

I am pleased to see that the Northwestern Cement Co. is going to commence work. Noting what you write with regard to Balfour, Guthrie & Co. and Mr. Dingee, I wrote a personal letter to Baillie, giving him a hint that matters had been definitely settled, and that the work was going ahead, and that you were desirous as you always had been, of trying to bring the two together, and that you thought that if they offered their property at a reasonable price, there was a chance of Mr. Dingee considering [344—1221] it, and for your guidance, I give you a copy of his reply. I do not know who the parties are that he has on the string, but for your guidance Mr. Anderson of the Associated Portland Cement Manufacturers, whom you met in Seattle has been here for two days, and lunched with me yesterday, and is to dine with me to-night. I have an idea and in fact

he virtually admitted it, that both he and his co-director Mr. Brooks, came to the coast with the idea of looking over the field to see whether an investment in a cement plant was advisable, and he told me that they had practically come to the conclusion not to do anything as the ground was so well covered in California, and was likely to be in Washington. I told him that Mr. Dingee had definitely decided to start work at once, which rather surprised him, as he asked me whether the land question had been settled, and how this would affect B. G. & Co.'s property. I told him that Mr. Dingee was a director of the Bellingham Bay and B. C. Railway, and virtually controlled it, and that probably if anybody else started near Kendall, it would be a bad lookout for them, and this information apparently was a surprise to him, and no doubt it would be a great surprise to Balfour, Guthrie & Co., if they knew it. Mr. Anderson is of the opinion that Roche Harbor is an ideal location for a cement plant on this coast.

With regard to the electric power from Stave Lake, I will watch for Mr. McNeill's return, but will see Mr. John Hendry *or* tomorrow if possible, and see Mr. John Hendry *or* tomorrow if possible, and of him.

Yours faithfully,

Diet. E. E. E."

"14th Decr. 1906. H.

John L. Howard, Esq.,

87 Vernon Street, Oakland, Cal.

Dear Mr. Howard: I wrote you on the 12th inst. advising that Mr. Anderson was here, and subse-

quently found out from him that he had come direct from Sumas where he went accompanied by his co-director Mr. Brooks, and Mr. London, of B. G. & Co.'s Portland office, and drove out to see Jacob's Cliff. He also told me that he had left Mr. Brooks and London at Sumas, from where they were going to Kendall, thence to Baker, thence to Tod Inlet.

Mr. Brooks made a social call on me this morning, I knowing his brother quite well, who is a director of the Associated Portland Cement Manufacturers. He said that he had had a hard trip, and went all over the Balfour property on both sides of the railway also over Dr. Bachman's claims and your stone and timber claim. He stated he was informed by a lawyer in Bellingham that your claim was in litigation which would take at least five years to settle. Furthermore, that it would take a very long time to get a patent for Dr. Bachman's claims. This lawyer who no doubt was one of the members of the firm of Dorr & Hadley, informed him that the Northwestern Cement Co. had registered a mortgage for \$2,000,000 the Mercantile Trust Co. being trustees, and that it only covered the Watson and Zender farms which were worth \$1,000 and \$1,500 respectively; that the bonds bore interest of 9 per cent, payable 3 per cent every four months, and that they matured in 1916, and that the company had to give these onerous terms as they found it practically impossible to raise the money—in fact he stated that Mr. Dingee could not sell the bonds. He had also been informed that Mr. Dingee was unscrupulous, that he was a plunger and had overreached himself—that Dr. Bachman had

no money— [345—122m] that you were the brains of the concern, and that you had little money to invest, and so forth. He stated that he was certain from information that he could get, that the Napa deposit had almost played out, and as a proof of this, they were hauling their clay some fourteen miles, and his suspicions are confirmed by the many excuses which were made when he applied for permission to go over the works; in fact, the Standard Company were doing all they possibly could to keep the Napa plant going until the Santa Cruz plant was ready—so you can see he has been pretty well filled.

Before leaving, I asked him if he and his associates were going to be interested in B. G. & Co.'s property, and he stated that although they came out to the coast with the intention of looking over the field with a view to making an investment, he and Mr. Anderson had decided to recommend their associates not to invest as they were under the impression that within two years there would be a collapse in prices owing to over-production which would mean a fight for the survival of the fittest.

I presume the other people they have on the string are Aman Moore and his following, but as to this, I can say nothing definitely as I have not heard from Moore for some time.

I saw Mr. Hendry yesterday afternoon. He stated that he could give no information at all until Mr. McNeill's return which is expected early next week.

With regard to your timber and stone claim, when speaking to Mr. Howard over the telephone today



inquiring about the assessment work, he asked me how the matter stood, and I told him that Gregory was waiting a reply from Birdwell. He stated that he was certain that Birdwell had no interest whatsoever, and felt positively sure that Maney was the buyer of his interest, and he was the man who was holding the property up. He stated that he would be in Seattle tomorrow, and would take the opportunity of calling on Randolph to endeavor to get to the bottom of the matter, at the same time, without making it appear that you were anxious, and would telegraph me the result. It will depend on what I hear from him as to whether I will leave here on Monday night for Seattle.

Yours faithfully,

Dict. E.E.E."

#### "WESTERN FUEL COMPANY.

San Francisco, Dec. 18, 1906.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans: I have yours of the 12th of December. Since last writing to you, I have heard nothing from Mr. Randolph and as the thirty days from November 19th will expire on Wednesday next, I am expecting some kind of word shortly.

there is nothing new in the situation. I saw B. on Friday for a few minutes at Napa, but he then had no advice of the starting of his construction man. He told me, however, that they had decided to exercise their option on the railroad stock. [346—122n]

This, however, for the present, is private.

I will, as you know, be glad to hear as soon as you have anything definite regarding electric power.

I note the extract from Baillie's letter. He evidently misinterprets my position. I have no desire to get the control of their property for Mr. Dingee, but because and only because of my long and pleasant relations with their firm, I will be glad to do what I may to get the two parties on a negotiating basis. If Dingee declaimed their offer of \$150,000, what use is *tere* of my further intervention if now they say they will not sell for that sum?

If you could see the size of the 5,000 barrel plant and imagine a similar one at Kendall, you would say that Baillie was not considerate in language when he states that his people will make Dingee's plant look like thirty cents.

As I told you, I long since determined that I would not be a buffer between two irreconcilable parties, but if I find that I can consistently be of service to B. G. & Co. I will do so.

There seems to be a good deal of interest in our land troubles at Kendall, but it is not generally *know* how near they are to a final adjustment. Did I understand from your recent letter that steps had been taken to secure a cancellation of the President's order withdrawing that Township from entry?

Yours truly,

JOHN L. HOWARD.

Since writing I received a letter from Randolph, of which I send copy.

J.L.H."

“(Copy)”

Seattle, Washington, Dec. 15, 06.

Mr. John L. Howard, San Francisco.

Dear Sir:~ I received yours of the 12th inst. this morning, and then saw Mr. Gregory and asked him if he had heard anything from Mr. Birdwell, and he informed me that he had just received a letter from him in which Birdwell states that he wanted Mr. Gregory to make the appeal, and claimed that he (Birdwell) had other interests there besides his alleged interest in this property. Gregory says that he is of the opinion that an appeal will do them no good, and further he is of the opinion now that if an appeal was taken and the case remanded to this office with instructions to order a hearing, that he does not believe they could prove that you were taking this land for the benefit of somebody else other than yourself, and he knows that is the only tryable issue in the case. If they should fail to prove that you were not acting in good faith with the Government, then they should lose.

After a talk of something in the neighborhood of an hour with him this morning discussing these people and their method he says that he will send them a bill in advance of taking an appeal and if they fail to pay the bill in advance for services rendered by him heretofore, and for the appeal, that he *will* the time for an appeal go by default.

In other words he has agreed that they must either put [347—1220] up the money to take the appeal in advance including all costs and payments in full for his services, or else he will not proceed, and I have

agreed with him that in case they do not pay him for his services and in case no appeal is taken and our receipt issued, that I will see that he does not lose the money due him, merely as a matter of courtesy, and that we are not indebted to him or any person in any sum whatsoever, but of course, I would rather for your sake say lose the accumulating fee that would be coming to me, and let that go to Gregory for your benefit, than to have the appeal taken and cause you delay.

I will keep you posted as to results. If they put up the fee, and he takes the appeal, then as a matter of course I will answer.

You are right about the matter as to the course of the appeal that if an appeal is taken all ~~the~~ papers are transmitted to the Commissioner of the General Land Office for his consideration, and he will either sustain the local office in their action, or reverse their action, and remand the case for trial, fixing a new date.

Of course, if they should not succeed in their appeal before the Commissioner, they then have the further right of an appeal to the Secretary of the Interior; in the meantime, we not having a receipt for the land cannot do any work thereon until such time as our final proof is accepted and the land sold to us thereunder.

Yours very truly,

F. F. RANDOLPH."

“19th Decr., 1906. H.

John L. Howard, Esq.,

87 Vernon Street, Oakland, Cal.

Dear Mr. Howard: Thanks for yours of 10th inst. with information as to the Atlantic and Santa Cruz Companies from which I am glad to see that you are likely to make a nice profit out of your investments in these concerns.

With regard to the Northwestern Company, I note that if you only get \$600,000 in shares, you propose giving me \$100,000. I leave myself in your hands, but under the circumstances I certainly think that Mr. Dingee should be persuaded to make this up to at least \$150,000 in shares, and no doubt he will do this when you have an opportunity of putting the matter fairly before him.

In reply to your inquiry as to what my present mind is, with regard to taking bonds, my firm's intention right along has been and still is to invest \$45,000 (say \$15,000 each) on the basis of two to one, but before finally committing ourselves, I think some definite information should be given or a prospectus issued as to what the program is, and what we are subscribing to. For instance, we should know the total nominal capitalization, the amount of cash required (making ample allowance for contingencies) for the erection of the works, and working capital, whether all said money required will be forthcoming from underwriters, &c. [348—122p]

I would also like to know, assuming that \$1,200,000 is required, and the nominal capitalization of the company is \$2,000,000 and \$5,000,00 in shares, will



\$800,00 in shares remain in the treasury with the \$800,000 unissued bonds, to assist in selling these should more money be required later, or will the promoters take the whole of the ordinary shares with the first issue.

With regard to electric power, Mr. McNeil has been delayed, but he is expected here on the 21st inst. and as soon as he settles down, I will see him. The telephone wires are down to Seattle today and I have not heard from Randolph whether any appeal has been put in. *Howard*, who saw Randolph on Saturday, was under the impression that unless Gregory was acting for Maney or somebody else no appeal would be put in, and nothing would be done.

Yours faithfully,

Dict. E.E.E."

#### "WESTERN FUEL COMPANY.

San Francisco, Dec. 20, 1906.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans: I am in receipt of your letter of the 14th ~~inst~~ of December, and am amused by the report carried to you, that of Dingee, Bachman and Howard, the latter only had brains, and none of them have any money.

You know how baseless are all the statements made to you concerning the scheme. The N. W. Cement bonds bear six per cent interest to the holders, but *their* is a special coupon at three per cent additional held by the Trust Company to protect the

holders under the California law in respect of the payment of taxes.

Napa materials are not playing out, and they are not hauling clay fourteen miles, none from any place excepting the adjoining quarry which furnishes the limerock.

In fact the clay used is the cover of the lime, and they have tested the ledge by a bore hole 1000 feet west of present quarry, finding 67 feet of cover, and at a depth of 600 feet they were still in limestone. As they developed the quarry westward the supply of clay will be greater than the quarry will yield in limerock, and either they will have to strip some of the cover, or bring in some outside limerock to make the proportion equal to the yield of clay.

They need not worry about the placing of the securities. Napa City alone applied for \$150,000, and early in November, Dingee told me he had applications for \$200,000 in his office. I have \$100,000 in sight without trying, and when Dingee reaches here at New Year's, I will give you all details.

Gregory's thirty days should have been up yesterday, but I do not know as yet whether he has acted. I hope that Randolph has been able to agree with him on the lines stated in his last letter, copy of which has gone to you. If he has, then the Seattle Land Office may issue certificate, and the troubles with my eighty acres will be over.

Then as there are now no adverse claims to the Reidle 80 acres, the atmosphere will be clear. [349—122q]

Yours truly,

JOHN L. HOWARD.

P. S.—Regarding the difficulties attending Mr. Anderson's visit to the Napa Junction works: Of course, at all cement plants, as I found in the east, there is a general reluctance to the visiting of strangers, but I happen to know in this particular instance that they were in the midst of a bitter fight with their employees who were picketing the works, waylaying the strikebreakers and all that sort of thing, and the reason assigned by Dingee was a real one. He gave them cheerfully, and with my knowledge and suggestion, a permit to visit the Santa Cruz plant, and they could have gone to Napa if the conditions had been otherwise.

JLH."

"22nd Decr. 1906. H.

John L. Howard, Esq.,

87 Vernon Street, Oakland, Calif.

Dear Mr. Howard: I have yours of 18th inst., enclosing copy of Mr. Randolph's letter to you of 15th inst., contents of which is very interesting. You will of course have heard before receipt of this, that Gregory has put in Notice of Appeal, which is most annoying. I understand that this notice is put in on account of Mr. J. J. Maney, and I am curious to know who is behind this gentleman, i. e., whether Balfour, Guthrie & Co. or Mr. Sam Hill have anything to do with it. Of course, Mr. Randolph will put in his answer to this appeal but how long it is going to take to get the matter cleaned up, it is impossible to say. In course of conversation over the telephone today with Mr. C. W. Howard, he states that the assessment work which should have been

done by the locators of the placer claim within sixty days has not *bee* done, and at my suggestion he is writing you as to whether you think it advisable to have placer claims staked off covering the same ground.

Yours faithfully.

Diet. E.E.E."

"WESTERN FUEL COMPANY.

San Francisco, Dec. 26, 1906.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans: To yours of the 19th December received 25th. I enclose copies of letters to Randolph and Howard which are self-explanatory. Now, I want to fight back, and to fight hard. You will note the suggestions I have made to Howard, and I trust he will see his way clear to act on them and promptly. Regarding the securities of the N. W. Cement Company, we may well let that matter rest until the return of Mr. Dingee who is booked to leave New York tomorrow. It was with him that I had my first conversations.

Suffice it to say that I will do my best, and I will be quite content if I get out of him \$50,000 additional, which will be for you. The capitalization bonds, etc. I will give you after I have seen them. Thanks for your Christmas telegram. Wishing [350—122r] you sincerely the best of health and the fullest measure of personal content and of business prosperity,

Yours very truly,

JOHN L. HOWARD."

“WESTERN BUILDING MATERIAL  
COMPANY.

340 Steuart Street.

Cement.

Brick.

Lime.

Terra Cotta.

Plaster.

Sewer Pipe.

Roofing Slate.

Copy for E. E. Evans.

San Francisco, Dec. 26, 1906.

Mr. C. W. Howard,

Bellingham, Washington.

Dear Sir: Mr. Randolph advises me that contrary to his expectation and advice, Gregory has filed an appeal against the decision of the Seattle Land office in dismissing Birdwell's protest against my stone and timber filing. That in his mind there is no reasonable doubt that Birdwell has from the beginning been acting in the interest of one, Meany, who has undoubtedly paid Gregory's fee in order to have him go on with the appeal. Now, the time for any kind of a compromise has passed, and we want to make as short and severe a fight as possible. Is the nature of the conflict in Snyder Reed's two affidavits, one in favor of my final proof, and one in favor of Birdwell's protest, such as to lead to his indictment for perjury, either through the Grand Jury or otherwise?

If so, can you set the machinery in motion to do it? Cannot a keen detective be hired to worm out of some of that organized gang sufficient evidence to confirm the belief of Mr. Randolph in which I have shared, that Birdwell has also committed perjury in



that he did not make his filing in good faith, but was acting for, and in the interest of others.

If this may be done, can you start the machinery in motion? I want now to carry the war vigorously into Africa.

This is a very serious matter for the county of Whatcome in general and for the Railroad and its tributary interests, in that it may delay the construction of those works which will involve the investment of over \$1,000,000 and the employment of nearly 1,000 men, and it seems an outrage that an organized gang of blackmailers should be tolerated in that community, and for selfish reasons to block the installation of an enterprise that promises so much for the county. Public sentiment should be aroused to throttle them.

Yours very truly,

J.L.H.”

“(Copy for Mr. E. E. Evans.)

Seattle, Washington, Dec. 21, 1906.

Mr. John L. Howard,

Oakland, California.

Dear Sir: Mr. Newman and Mr. Howard of Bellingham called on me the latter part of last week and we had quite a talk about your case, and I explained to them all that I had done in the matter since I last saw you, and the conversation that I had with Mr. Gregory relative [351—122s] to a probable appeal by his client, and also that the time for an appeal would expire on this date. I have wired them yesterday that no appeal up to that time had been taken. I told them that Mr. Gregory had

advised me that his client owed him for services rendered in the case including the appeal, the sum of \$500, and that unless he received the fee that was due him, and to become due by virtue of the appeal, that he would have no interest in the case, and did not intend to appeal it.

Gregory has repeated this several times, but I have not seen him for several days to talk with him in regard to the matter until he served me with an appeal in the case this afternoon. I have tried to reason *ith* him that an appeal would only tie up the matter/ that he would surely be unable to prove any of the allegations of his complaint not already admitted; that is we admitted that they filed on this land after we did, but denied that your application was made in the interest of anybody except yourself, and that he know this, and that I knew it, and I think that he knows that to be true, but nevertheless has filed the appeal because he was paid for it. I am of the opinion from what I can learn that this man Birdwell sold out all interest in this land that he had prior to the time that he left Whatcom County, and I am of the opinion that he sold to this man Meany, who purchased the Birdwell properties up there through Van Valkenburg, and Snyder Reed, and I am of the opinion that Birdwell has no financial interest in the proposition at all, but is being used by Meany as a figure head in the case.

I do not suppose that the deed of transfer would be recorded in Whatcom County, in fact they would hardly have dared to do that because Birdwell has undoubtedly agreed to stand pat and try the case out

as a party in interest.

I am of the opinion that Mr. Meany is the man who put up the money to Mr. Gregory for the appeal and work that he has done in the case, as I know beyond a reasonable doubt that Gregory has received a fee in excess of the \$500 and I know beyond reasonable doubt that this man Birdwell could not have raised \$500 nor any considerable part of it, and you may figure from that that you have got a big Company to fight who will be willing to put up most any reasonable sum of money to acquire the title to this tract of land, and that they will go to most any extent to procure evidence, true or false, to beat you out of this tract of land, but we will stay with them.

I will answer this appeal within the ten days allowed for an answer, and I will do my best to have the local officers sustained in their ruling and order for dismissal of the Birdwell protest.

I have written Newman & Howard this evening, advising them that the appeal has been taken, and also of my surmise as to transfer and have requested them to keep a close watch on the records in the Auditor's office of their county, and let me know whether or not a deed has or will be filed. I should like you to send me a draft for about \$150 on account.

Very truly yours,

(Signed) F. F. RANDOLPH." [352—122t]

“WESTERN BUILDING MATERIAL  
COMPANY.

340 Steuart Street.

San Francisco, Cal., Decr. 26, 1906.

Copy Mr. E. E. Evans.

Mr. F. F. Randolph,

413 Pacific Block, Seattle, Washington.

Dear Sir: I am in receipt of your letter of December 21st, advising me that Gregory had filed his appeal, and that in your mind there is no reasonable doubt that he has all along been a figure head for another crowd let by this man Meany of Seattle. From the knowledge possessed by a certain firm of lawyers in Bellingham, regarding the status of this case, I am being gradually driven to suspect that there may be a second crowd in interest. Of course, I am disgusted and now propose not only to fight it through, but also if possible to strike back and strike hard. If Gregory filed his appeal within the time limit allowed him is there no way of attacking Birdwell's filings, for as events are developing, it would seem that he was not acting for himself, and in his own behalf but in the interests of others?

Again, if there is any way of using the evidence of perjury against Snyder Reed, I propose now to use it and to push him. I enclose as you suggest check to your order for \$150.

Yours truly,

J.L.H.”

“WESTERN FUEL COMPANY.

San Francisco, December 28, 1906.

Mr. Ernest E. Evans,

Vancouver, British Columbia.

Dear Mr. Evans:

Yours 22d December. Yes, I have heard as you have been advised, that Gregory filed his appeal at the last moment. It is of course too bad; we did our best to prevent it, but failed, and it means a delay. Now, if Meany and his blackmail conspirators have fortified their rights by not doing the assessment work within the sixty days prescribed by law, then on the whole, I think it would be well to put on new placer locations, for this would give me the right to do assessment and development work, independent work, independent of the contest on my stone and timber filings, provided the President's proclamation withdrawing that township, does not interfere with making any kind of locations.

From Randolph's statements I have no idea that Meany can beat me with his appeal, but he is fighting to torture me with delay hoping that I will cough up money or that the Company for whom they think I am acting will buy their holdings at a high figure. I do not see how this new location course could do anything but benefit my condition, but in view of Randolph's censure of Reidle for a similar procedure, I am suggesting by wire today to Howard that I approve subject to Randolph's approval.

Yours truly,

JOHN L. HOWARD.

J.L.H.” [353—122u]



“WESTERN FUEL COMPANY.

San Francisco, January 4, 1907.

E. E. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans:

Saw Dr. Bachman yesterday. He starts east on January 10th. Stewart the constructing contractor, will await his arrival there and then come west. Meantime, he is shipping material by rail. He will go north with Roseberry, superintendent of Napa factory.

The option on the B. B. and C. C. R. R. shares expire on Saturday, and they are arranging to take them up.

I am expecting some word from you as soon as Mr. McNeill arrives. I do not expect to go north again until March, when all my annual meetings will be over, and I have many for which statistical reports with editorial matter must be prepared. Dingee has returned from New York, and I expect my talk with him during the next few days. One has time to catch him only at lunch, and that consumes two hours from my office until return. Do you expect to go abroad in the early part of the year? I have had to order more survey work for Dr. Bachman. In the previous instance he did not tell me just what he wanted, and it has to be done over.

Yours truly,

JOHN L. HOWARD.”

“WESTERN FUEL COMPANY.

San Francisco, Jan. 7, 1907.

Dear Mr. Evans: I saw Dingee and Bachman at lunch today. The N. W. Portland Cement Company will be upon the basis of

\$2,000,000 bonds.

\$5,000,000 in shares.

Through bonds will be sold, and only enough to put the property in working condition. The amount will be greater if a steam plant must be installed, and less if electrical power may be had. Each \$1000 bond will carry \$1000 in shares, and in your case, I have promised you an additional \$1000 on your \$50,000 subscription in addition to 1000 shares to you personally out of my promotion stock. I told both B. and D. what I intended doing, and that I wanted them to recognize your work by chipping in, and I left it with them to mull over. I'll get you more. Now the securities are ready for delivery.

If you have not changed your mind in respect of this investment, you might send me your check and I will at once send by express the bonds and shares according to this letter. If you remit please wire me.

Yours truly,

JOHN L. HOWARD.

JLH.

The above means that I contribute \$150,000 of your bonus stock.” [354—122v]

“WESTERN FUEL COMPANY.

San Francisco, January 10, 1907.

Mr. E. E. Evans,

Vancouver, British Columbia.

Dear Mr. Evans: Mrs. Howard has phoned to me this morning your telegram delivered at the house, in which you ask whether I regard it as safe for the Northwestern Portland Cement Company to go ahead in view of the unsettled state of the land titles. As you know I have greatly demurred at the delay in starting up there, which is one of the causes of our trouble. I mean by that, if Dr. Bachman had proceeded immediately with his plans he would have been in constant occupation of the Reidle tract, and nobody could or would have jumped it, but in view of the present situation I have felt free and justified in taking the money from some of my friends and investing it for their account in Northwestern Cement bonds carrying an equal amount of stock as a bonus. My reason for this is, on January 4th, Mr. Howard reported that all the assessment work on the Reidle claims had been done, and that on the next day he would file on the notice of proof and apply for a patent.

There are no adverse claimants in respect of these claims.

Now, with regard to my own eighty acres, of course the appeal taken by Gregory will hold up my stone and timber application, and pending the decision of the general land Office, neither Birdwell, Meany, myself or anyone else can enter into occupation of that land, and

First: I am perfectly satisfied that Birdwell and his backers will be thrown out of Court, and I think Randolph's view of this point is correct, but considering that nothing is certain in law until you have got it, we know as a fact that Mr. Birdwell did not conform to the law by doing so much work on his locations within the sixty days prescribed by law.

Secondly: Mr. Randolph has consented and believes it to be a good move that new placer locations shall be put upon those lands in my interest. They will *entitled* the new locator to proceed with development work for assessment purposes, and that work can be made to conform to the general and to ultimate plans for the Quarry development; so that to my mind it seems clear that I must win on either or both of these propositions.

But up to the time that Mr. Howard and Mr. Randolph coincided with the view that new placer locations would be made, and that if made, assessment work could be done, I must confess that I thought any action in respect of the sale of securities was a little bit premature.

My view, however, is different now.

The option on the Railroad shares has been taken up, and I will probably be elected Vice-President of the Railroad Company. Mr. Taylor representing the Mills interests will continue as President.

After the Western Fuel Company's annual meeting in February, I expect to go north via Bellingham. If you should agree with [355—122w] my view in respect of the North Western Portland Cement Company's securities, and take them up, you may rest

assured that I will look after your interests in that matter just as closely as I will look after my own.

Very truly yours,

JOHN L. HOWARD.

JLH.”

“WESTERN FUEL COMPANY.

San Francisco, January 11, 1907.

E. E. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans: Yesterday the telephone was working so badly that the whole of your message was not understood, and on arrival at home last night I found your telegram. The part that I did understand I answered yesterday. Now you ask—

‘Is all the money positively in sight, and will it be put up at once,’

Mr. Dingee informs me that more than one-half is already subscribed and the balance of it is assured. I want to stand under my load of \$100,000, pay it in and get rid of it. It means that when paid, the bonds will begin to bear interest from that date, and if it is to be paid, it might just as well be paid first as last.

He and Bachman are taking \$150,000 each; the crowd in the Crocker Woolworth Bank will take at least \$150,000 with the expectation of more. Napa subscribers, I was informed by Dr. Bachman, wanted about \$1250,000 and no special effort has yet been made to push it. I have not had time as pressure of work and the difficulty of getting about the city has prevented.

You have no idea how irksome it is paddling



through the mud in this rainy weather, with no sidewalks in the business district the business men scattered far apart only a few lines running and they overcrowded, business is done under very disagreeable *condit-*

I was able to see Mr. Dingee for only a few minutes before lunch, and this is the word that I got. If, therefore, you feel satisfied with this and yesterday's explanation of the conditions and my opinions, would it not be just as well to make the investment first as last, and begin to realize the six per cent on it? The factory will most assuredly be built, and as Dr. Bachman left here yesterday for the east, among other things to meet the construction contractor Stewart, the latter will come out to the Coast immediately.

Yours truly,

JOHN L. HOWARD.

JLH."

"11th January, 1907. H.

John L. Howard, Esq.,

87 Vernon Street, Oakland, Calif.

Dear Mr. Howard: I duly received your letters dated 4th and 7th [356—122x] I presume the latter should have been 5th inst.

I note all particulars you give about the Northwestern Portland Cement Company, and am quite prepared to put up our subscription of \$45,000, provided you and your advisors are perfectly satisfied that the Company will not be taking any risk in going ahead until the title to your stone and timber claims is clear, and further, that all the money liberally esti-

mated, which will be required, for the erection of works and working capital, will be put up at once, and I wired you to this effect on 9th inst.

The reason I asked the last question is, that in the event of a sudden panic which may occur at any time, some of the subscribers might find themselves in a position not to be able to raise the balance of the money to complete their subscriptions consequently it might then be found difficult to raise the money to complete the works, and those who had already paid in full, might have their money tied up.

I enclose rough draft giving details of the company as I understand them from your letters, and would like you to fill any blanks which I have left, and correct me where I am wrong, particularly in connection with the question as to whether the promoters contribute the real estate and deposits of raw material for ordinary shares only.

Mr. McNeil has been laid up with influenza and boils. I had conversation with him on Tuesday when he informed me that he had had a discussion with Mr. Kennedy, the engineer, and Mr. Hinton, the electrician last week, on the question of supplying us with power, and that the engineer is now making a rough survey of the proposed pole line, to estimate the cost, and they hope to have something definite one way or the other laid before us next week.

I expect to leave here on the night of 25th inst. for Boston, and to sail from there on the 2d prox. per steamer "Republic" for Genoa or Naples and after spending a short time in the south, will reach England early in March where I have some business to

attend to, and will arrive back here about the middle of April. I am sorry I have made arrangements to go, as I feel I ought not to be away from here this year.

Percy sailed from Liverpool on the 5th inst., and is due here on the 19th or 20th. I am anxious to know if you have taken any action in connection with the Vice-Presidency of the W. F. Co. and whether we are to get 119 of his shares or 125—if so when the money will be required.

I enclose statements of disbursements made in connection with the cement business up to the end of the year with vouchers attached, showing a balance of \$2664.76. If you do not quite understand any of the items, please write me. Please note I have no duplicates of the vouchers.

Yours faithfully,

Encls. Dict. E.E.E." [357—122y]

"14th Jany., 1907. H.

John L. Howard, Esq.,

87 Vernon Street, Oakland, Calif.

Dear Mr. Howard: I am in receipt of your favor of 10th inst. and note from same that you do not consider that the Northwestern Portland Cement Company will be taking any risk whatsoever in going ahead with their enterprise in the present unsettled state of the land titles. On the strength of this I have just wired you that I will remit a draft tomorrow for \$45,000 addressed to you c/o The Western Fuel Co., 340 Stewart Street, San Francisco, on the Anglo-California Bank.

I have asked you to have all the securities made out in my name to start with, and will transfer them into different names later. I have them put in my name on the assumption that supposing in the course of years the company gets into debt and there is an assessment levied on the ordinary shares under Company laws of the state of California, that only the shareholders on the Register at the time same is levied are liable, and that once shares are transferred the original owners are not liable.

I am afraid that you will think me too careful, but I do not wish to take any technical risk whatsoever.

You state in yours under reply that Mr. Howard reported that all the assessment work on the Reidle claims had been done, and that on the next day he would file the notice of proof and apply for a patent. You apparently have misunderstood him. The assessment work that we have had done and recorded simply puts us in the position that we are not bound to do any more assessment work, and have it recorded until the 31st December next, but before then \$100 worth of work on each claim will have to be done.

I shall be glad to know whether the company now are going to make an official announcement that they are going ahead, and I shall also be glad to know whether the fact that the company have control of the railway, is also to be kept a secret. I simply ask this because I think I should write Aman Moore giving him these facts as soon as I have your permission, in case he is the other party whom Baillie referred to that they had on the string, as I am sure that one

party was the Associated Portland Cement Manufacturers of London who are completely off.

I am quite satisfied with your statement that you will look after my interests as if they were your own. I feel quite confident provided that we are not held up on account of titles, and that the business is managed properly and it will be a great commercial success, and if no time is lost, the work should be ready for operation in July, 1908.

With regard to the electric power, I will take this matter up again with Mr. McNeill in a day or two, by which time, if the last statement he made to me is correct, he should have the desired information, but privately, I have not any too much confidence in this gentleman.

The weather here is intensely cold, and in the East end of the city the thermometer last night went down to 4 below zero, but at my house the lowest it registered was 2 above. The demand for coal is simply extraordinary. We were clean out of all grades [358—122z] this afternoon, and we have practically been mobbed all day, and I wish to goodness, the weather would moderate as the crowds in both offices applying for coal simply disorganizes our business.

I am quite satisfied, however, that Mr. Stockett is doing the very best he can for us, and for the sake of the Western Fuel Company, I wish the present state of affairs would last for a long time.

Percy telegraphed from New York yesterday, his arrival after a very rough passage. He is due here on Friday, but I am afraid that he will be delayed getting through, as I understand the Great Northern



have practically gone out of business. They are refusing to take any freight whatsoever, and are only trying to run one passenger train per day.

Yours faithfully,

Diet. E.E.E."

"Oakland, Jan. 15, 1906.

Dear Mr. Evans:

I am today in rect. of your letter January 11th enclosing vouchers amtg. to 2664.76 which appear to be in order. I will send them to the Co. with an explanatory letter which will bring the needed check. Yesterday I received your t/d that the \$45,000 check would be mailed today, and on its rec't I will send you

\$45,000 in 6% bonds)

(1) 45,000 in shares )from the N. W. P. C. Co.

(2) 145,000 " " ) from JLH.

Block #1 will be cut into 3 pieces, but all in your name in case as you intimated you might wish to divide them.

Block #2 will be cut into 1 cert. of 1,000 shares in your name, and the 450 shares will be issued in 3 pieces to me as Trustee. These I will endorse before sending to you. I don't want the Company to know that any bond buyer is getting share bonus beyond the 1 to 1 which they have established. These endorsed certificates, as you know, may be transferred at any time upon presentation. I will fill up and mail to you tomorrow the blank forms you have sent to me.

\* \* \* \* \*

I am glad that there is some expectation of a pro-

posal for electric power from Messrs. Hendry and McNeill.

I have so incurred the habit of spending pleasant hours with you that I shall greatly miss you on my next Northern trip, but my [359—122aa] loss will be your great gain, and I trust you will come back greatly rested, and fit for the next season's racket.

Yours truly,

JOHN L. HOWARD.

P. S.—I was caught by my obstreperous liver on Monday night, and this added to a long standing cold and cough has bottled me at home for two days under Dr.'s orders. The weather here is very inclement."

"15th January, 1907. H.

John L. Howard, Esq.,

c/o The Western Fuel Co.,

340 Steuart St., San Francisco.

Dear Mr. Howard:—Referring to mine of yesterday addressed to Oakland, I now beg to enclose draft \$45,000 in your favor on the *Angl*-California Bank, San Francisco.

Yours faithfully,

Dict. E.E.E."

"WESTERN FUELS COMPANY.

San Francisco, January 19, 1907.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans:

I am sending you by this registered mail certifi-

cates of Northwestern Portland Cement Company,  
viz.:

#66— 150 shares)

65— 150 “ )

#64— 150 “ )

These were the bonus from the company with  
your bonds.

#68—1000 shares)

Promoter's stock from J. L. H.

#69— 150 shares)

#70— 150 “ )

#71— 150 “ )

Representing the doubling of the bonus from  
J. L. H.

Mr. Dingee has not forgotten my injunction in  
your behalf, for he voluntarily referred to it today  
and said it would have attention a little later.

I will send you by express today 45—\$1000 bonds  
numbered from 125 to 167 Inc. There will be an  
interest charge for you to pay beginning with the  
date of the last coupon and running until yesterday.

For this I will send you a memorandum and you  
may *remt.* The amount will come back to you on the  
payment of the first coupons. These you may de-  
posit for collection by your bank, or if [360—  
122bb] you like send the coupons to me for collec-  
tion.

Now to your letter of the 14th January received  
last P. M. at home—

Your statement as to the Liability of share owners  
under the Californian Laws is correct, as practice

runs with going corporation, but as a matter of fact it will be found that these persons are liable who were shareowners at the time of the creation of the debt, but the record of the company is never gone behind, because a buyer of shares buys them with the assumption that he takes the previous owner's place.

I confess now that I was mistaken in my view that all assessment work necessary had been done on Reidle's claims. My memory of Mr. Howard's statement failed me, but during 1907 when quarry development begins the needed balance will be quickly expended, and that will end it.

As to the Official announcements—

1st: As to the control of the Railway, I will ask Dingee if he has objections; if not, I will see to it that when the new Officers and Directors are elected at the Annual Meeting, the names shall be published, and then I will advise you.

2nd: As to the beginning of work, I am awaiting news from Dr. Bachman, now East, as to the starting of Mr. Stuart, the constructor, and I will give your office what word I get. I am pushing Dingee, and he realizes the importance of making hay, and I will have him wire Bachman tomorrow.

I expect to start North immediately after the middle of February when our annual meeting is over, and undoubtedly will see Percy.

I must go or come via Vancouver, for as V. P. of the B. B. & B. C. R. R. I will have business on each trip at Bellingham.

The Coal business here is awful. It melts as rapidly as received, and still does not fill the aching void.

We are threatened with investigations by the U. S. Government and by the State Legislature.

I trust that Percy will reach home in safety, and that you will have a restful and enjoyable trip. Dingee gives me the present subscription list, viz.:

W. J. Dingee.....	\$150,000
I. A. Bachman....	150,000
Crocker Bank Crowd.....	150,000
Napa Subscribers....	150,000
J. L. H. placed already.....	95,000

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\$695,000

Yours very truly,

JOHN L. HOWARD.

J.L.H." [361—122cc]

“WESTERN FUEL COMPANY,

San Francisco, January 19, 1907.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Sir: Herewith Northwestern Portland Cement Company's check to my order and endorsed to you for \$2664.76, covering your statement and accompanying vouchers for expenditures at Kendall.

Yours truly,

JOHN L. HOWARD.

JLH."



“WESTERN FUEL COMPANY.

San Francisco, Jan. 21, 1907.

Ernest E. Evans, Esq.,

C/o Mess. Evans, Coleman & Evans.

Vancouver, B. C.

Dear Sir:

Owing receipt of yours of January 16th about Stave Lake Power Company, I have sent a copy through Mr. Dingee to Dr. Bachman, who is in the east, and who will be interested to know that the matter is being kept alive.

Yours truly,

JOHN L. HOWARD.

J. L.H.”

“Letter) No. 3050

Parcel)

P. O. San Francisco, Calif.

Received for registration ———, 190—— from WESTERN Fuel Co. addressed to Ernest E. Evans, Vancouver, B. C. ——— class postage prepaid. Postmaster per D. (The conditions in fine print at end of form not here typewritten.”

“WELLS FARGO & CO. EXPRESS.

Amount, \$45,000.

Read the conditions  
of this receipt.

San Francisco, Cal. Jan. 19, 1907.

Received from J. L. Howard pa. valued at Forty five thousand Dollars, Addressed Evans, Coleman &

Evans, Vancouver, B. C.

(The conditions in fine print not here typewritten.)

Not negotiable.

For the Company,

BUESK.

Charges, Coll." [362—122dd]

“WESTERN FUEL COMPANY.

San Francisco, January 21, 1907.

Mess. Evans, Coleman & Evans.

Vancouver, British Columbia.

Dear Sirs: Herewith please find U. S. P. O. receipt #3050 for the registered mail package sent you on Saturday, and which contained Northwestern Cement Company's stock certificates and check; also Wells, Fargo & Company's Express receipt for 45 \$1000 bonds of Northwestern Cement Company.

We discussed every method of getting these to you, and parties experienced in forwarding such valuable documents advised us by all means to express them and to declare full value.

Yours truly,

JOHN L. HOWARD.

J. L. H."

“WESTERN FUEL COMPANY.

San Francisco, January 23, 1907.

Mess. Evans, Coleman & Evans.

Vancouver, British Columbia.

Dear Sirs: Would you kindly send me your check for \$585, being interest paid for your account to the Northwestern Portland Cement Company on 45

504 *Standard Portland Cement Corporation*

bonds from Nov. 1st, 1906, to January 18, 1907, 78 days at 6%.

Yours truly,

JOHN L. HOWARD.

J.L.H.”

“24th January, 1907. H.

John L. Howard, Esq.,

87 Vernon Street,

Oakland, California.

Dear Mr. Howard: This is to acknowledge receipt of your favors of 15th and 19th inst. also 45 bonds, share certificates Nos. 64, 65, 66, 68, 70 and 71, covering 1900 shares in the Northwestern Portland Cement Co. also cheque \$2664.76 in settlement of statement for expenditure at Kendall.

Bonds: I note that we are to pay interest from 1st November to 18th inst., and will remit as soon as I receive debit note. The bonds appear to me to be in order, but the point which I am not quite clear on is about the 3% which you informed me some time ago was held by the Trust Company to protect shareholders in respect of the payment of taxes. Am I to understand that this comes to 3% annum?

Shares: I note all you write on this subject and am glad to see from yours of 19th inst. that Mr. Dingee is not likely to shelve the question of his and Bachman's remuneration to me.

Of course I presume you understand that I have no secret business from my partners and everything goes into the 'jack-pot.' [363—122ee]

I will not transfer any of the shares until my return, except some friends who are nibbling decide to

take a few bonds on the basis of one to one.

\* \* \* \* \*

Business with us, I am pleased to say, is beginning to run smoothly again. I received a nice personal letter from Stockett the other day, at which I was pleased, as I had a suspicion that our relations had been somewhat strained during the strenuous times.

Percy arrived home some days ago all the better for his trip. I am off tomorrow, although if I had my way I would prefer remaining here for the time being.

Yours faithfully,

Diet. E.E.E.”

“WESTERN FUEL COMPANY.

San Francisco, January 29, 1907.

Percy W. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans:

I have a letter from Ernest dated 24th January owning receipt of the bonds and shares of North Western Cement Company, also the check for \$2664.-76.

I will get from the lawyer who drew the deed of trust an explanation of the extra coupon feature, and will send you a copy. I have never seen the deed, and Dr. Bachman could not explain it.

Yours truly,

JOHN L. HOWARD.

P. S. Mr. Roseberry starts tonight for Bellingham.

J.L.H.”

“WESTERN BUILDING MATERIAL COM-  
PANY.

340 Steuart St.

Cement.

Brick.

Lime.

Sewer Pipe.

Plaster.

Terra Cotta.

Roofing Slate.

San Francisco, January 28, 1907.

Percy W. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans:

Continuing to you the advice that I would have sent to Ernest—Dr. Bachman is in the East, and on Friday I went to Napa Junction with Mr. Dingee to see about the prospects for [364—122ff] Cement output.

While there I made such a stir about the delay in preparations for *stating* at Kendall that Dingee arranged for Mr. Roseberry, who is Bachman's right-hand man, to go during this week to Whatcom County, look over the ground, determine the site for the Factory Buildings, give instructions to the local engineers about surveys, fix on the plan for developing the Quarry and arrange to get busy.

I have given him a letter of introduction to Paige the Railroad Superintendent, and started that ball moving.

On Saturday, I was elected Vice-President of B. B. and B. C. Railroad, and you now must take off your hat when you meet the new Railroad magnate.

I was to have gone North on Saturday P. M. but



something may happen at the office about February 1st, and if it does I want to be here. You are liable to see me during the latter half of February.

Yours truly,

JOHN L. HOWARD.

J.L.H."

“WESTERN BUILDING MATERIAL COMPANY.

340 Steuart St.

Cement.

Brick.

Lime.

Sewer Pipe.

Plaster.

Terra Cotta.

Roofing Slate.

San Francisco, February 5, 1907.

Percy W. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans: I have yours 29th January enclosing check for \$585.00 due interest on the Northwestern Cement Company bonds.

I am glad that you felt such benefit from your trip to Europe. It seems only a week or two since the time of your leaving home. The Coal trade is in fine condition, but the supply is abominably short.

You and Kingham have fared well because the order was to keep you supplied, but not stocked, whereas we have been frequently out of stock entirely.

The steamship contracts have prevented our supplying as much as we would have liked to the domestic trade, which yields the higher price.

I expect to leave here for Seattle, Victoria (to see

J. D.) and Nanaimo shortly after February 15th, and will come home via Vancouver and Bellingham. I will be glad to give you [365—122gg] the benefit of any experience I have in the matter of handling coal, and will be very glad also to avail myself of your invitation to stop a night with you.

Yours truly,

JOHN L. HOWARD.

JLH."

"WESTERN FUEL COMPANY.

San Francisco, February 11, 1907.

Ernest E. Evans, Esq.,

c/o Mess. Thomas Cook & Sons,

Paris, France.

Dear Mr. Evans: Percy sent me enclosure that came to him from Aman Moore with the request that I sent it to you.

I succeeded in having Dingee send Roseberry (Bachman's right hand bower) to Kendall to locate the plant and to order certain work done according to his ideas of the future plans,

Since you left I have been elected Vice-President of the B. B. & B. C. Railroad, and will leave here on the 17th for Nanaimo, returning via Vancouver and Bellingham at which place Mr. Taylor wants to join me to go over the property and its needs.

Lawyer Howard had Mr. Hyatt file placer claims on my eighty acres, and makes reference to my purchasing Hyatt's interest in the claims. Howard wrote me that the claims would be located by friendly parties, but if I find that purchasing from Hyatt means any more than reimbursement and a gratuity

for any little trouble he may have had, there will be some very plain speaking.

Bachman is due here from the East before I leave and I will push him to speed the Kendall plant. I go to Santa Cruz tonight with Mr. Dingee to see the plant there, which is expected to start April 1st.

I trust you are having a good rest and that you will come back to us bye and bye refreshed and wound up for another campaign.

Very truly yours,

JOHN L. HOWARD.

J. L. H."

“WESTERN FUEL COMPANY.

San Francisco, March 8, 1907.

Percy W. Evans, Esq.,

Vancouver, British Columbia.

Dear Mr. Evans:

I told you that I *had* a letter in Nanaimo from [366—122hh] San Francisco indicating that a broker here wanted to form a syndicate to take the unissued bonds of N. W. P. Cement Company at one for one and resell them at  $\frac{1}{2}$  for one. When the promoters indicated a disposition to meet him the broker began to ask for other terms and they threw him out of the office.

I might say privately that Bachman told me that the plans were all ready, and based on my talk with him since my return he has resolved to put in a steam plant, and whenever Hendry & Co. are ready with power they will be in position to negotiate terms, but

meantime they will not wait.

Yours truly,  
JOHN L. HOWARD.

J. L. H.”

“26th March 1907.     M.

John L. Howard, Esq.,

87 Vernon Street, Oakland, Calif.

Dear Mr. Howard.

Yours of the 8th inst, followed me to Winnipeg and back again. I note the result of the Broker's attempt to jew down the Promoter's of the N. W. P. Cement Company with the deserved result that he was thrown out. I also note what Bachman told you re the plans and the power they have decided to install. Am I to understand that you wish me to say anything to Hendry or not, or let the matter rest meantime? I shall be very glad to hear that the ground is being broken, and active operations made towards the erection of the Plant.

I regret to say that I think that I have lost the Gypsum Deposit as others got in ahead of me during my absence. I am sorry, but at the same time on account of the way the banks are acting here, perhaps it is wise that we do not commit ourselves to any fresh scheme just now.

Yours very truly,

Diet. P. W. E.”

“May 13th, 1907.     S.

John L. Howard, Esq.,

87 Vernon St. Oakland, Calif.

Dear Mr. Howard: I was very much surprised to-day to receive a call from Mr. Shuttleford, with whom

you recollect, Dr. Bachman and ourselves had an interview in Bellingham, with regard to power for the proposed plant at Kendall. With him were two gentlemen from Boston.

His excuse in calling was that they had been over the ground between Bellingham and Vancouver, Bellingham and Mt. Vernon and also Mt. Vernon to Seattle, in connection with the proposed Electric Railway. He states that it is practically certain that [367—122ii] they will build from Bellingham to Mt. Vernon, but whether they will extend on to Seattle and on to Vancouver has not been decided.

The fact of the matter is that he wanted to find out our position with regard to power for the Kendall Works. I told him that you were very much put out at the way in which you had been treated, and that you considered negotiations were at an end. He stated, however, that he considered the matter at the time we had an interview as practically 'hot air' hence the reason they were very luke-warm.

He states that if they build the proposed electric railway, they will develop a large quantity of power, and they would then be in a position to treat with us. I told him that your associates has decided to put in a steam plant, and he stated that this was just what they wanted, as it would be a safe guard for them to make a contract.

He seemed to know that negotiations were on foot with the Stave Lake Power Company, but he rather ridicules the idea of their going to the expense of building, and he hinted that when it was an assured fact that the works were going ahead, his people



would be prepared to talk business with us.

Yours sincerely,

Dict. E. E. E."

“WESTERN BUILDING MATERIAL COM-  
PANY.

340 Steuart St.,

Brick,

Cement,

Sewer Pipe.

Lime,

Terra Cotta,

Plaster.

Roofing Slate.

San Francisco, May 16, 1907.

E. E. Evans, Esq.,

Vancouver, B. C.

Dear Mr. Evans: You spoke to me when I was last in Vancouver about the scope of the financial scheme of the Northwestern Portland Cement Company. I discussed this today with Mr. Dingee.

As you know the authorized bond issue was \$2,000,000 and the authorized share issue was 5,000,000; one million of the bonds will be sold to carry one million of stock as bonus, and the money realized from this sale will be absolutely devoted to construction purposes and for nothing else.

The other million of bonds with one million of stock will be held in the treasury, and as you are already aware, the remaining three millions of shares constituted the promotion stock.

Including what you took I have placed thus far \$100,000 of these bonds with the appropriate stock bonus. If it comes in your way to place any on the basis of one for one, and you will write me, I will

arrange the matter.

Yours truly,  
JOHN L. HOWARD.

J. L. W." [368—122jj]

W.

"17th May 1907. H.

John L. Howard, Esq.,

87 Vernon Street, Oakland, Calif.

Dear Mr. Howard: Thanks for yours of 13th inst. giving result of your visit to Kendall. To say the least, I am much disappointed at the apparent lack of interest that Messrs. Dingee and Bachman are taking in the Northwestern Portland Cement Co. and it seems very funny business to me that they should call up all the money and let it lie idle and pay 6% interest on it. If Bachman has got too much to do, why can't they appoint another Manager, and let him rush the work. As it is, it looks like to me as if they will lose all the good weather, which will practically mean that the works will not be ready for operation until 1909, and had I known there was going to be this delay, I certainly would not have put up my money.

Yours faithfully,

Diet. E. E. E."

"20th May 1907. H.

John L. Howard, Esq.,

c/o Western Fuel Co.,

340 Steuart Street, San Francisco.

Dear Mr. Howard; Thanks for yours of 16th inst. giving result of an interview you had had with Mr. Dingee, with regard to the financial scheme of the Northwestern Portland Cement Company. I under-

stand from this that the money actually realized from the sale of bonds, is to be absolutely devoted to construction of the Works; consequently I assume that the consideration for the \$3,000,000 in promotion shares, is the land, for which I presume, no cash is to be paid by the Company.

Am I also to understand that the Promoters pay the interest on the bonds during construction, or does the Company do this, and is it charged up to 'Construction Account' out of the proceeds of the bonds?

I refer you to your letter of 11th January last, in which you state that \$7000,00 had already been raised, viz.:

Mr. Dingee.....	\$150,000.00
Dr. Bachman.....	\$150,000.00
Crocker Woolworth Bank.....	\$150,000.00
Napa Subscribers....	\$150,000.00
John L. Howard...	\$100,000.00

Am I to understand that the whole of this money has been paid in and has the remaining \$300,000 actually been raised? If not, is there going to be any trouble in raising it, in view of the present uncertain state of the money market?

In your letter of 19th January last, you stated that in an interview you had had with Mr. Dingee, he had voluntarily referred to the question of giving me some Promoters shares, and that this matter would be settled a little later on. The next time that you have the opportunity, I should be much obliged if you will kindly refresh his memory as I think that the question should be settled without further delay.

Yours faithfully

Dict. E. E. E. [369—122kk]

“WESTERN BUILDING MATERIAL COM-  
PANY,

340 Steuart St.

Cement.

Lime.

Plaster.

Brick.

Sewer Pipe.

Terra Cotto.

Roofing Slate.

San Francisco, May 21, 1907.

Ernest E. Evans,

Vancouver, B. C.

Dear Sir: To yours May 7th.

I regret delay in Northwestern Portland Cement Co. matters as much as you do, but I am informed that they are now being pushed. Bachman is said to be in the East contracting for material and equipment.

Am a bit amused at your account of the visit of Stone and Webster's men regarding power. If I can influence matters Mr. Hendry's Company will get the finest kind of a show because he met us like a businessman, whereas the others acted like a lot of boys.

Yours truly,

JOHN L. HOWARD,

Presd't.

J. L. H./K.”

“WESTERN BUILDING MATERIAL COM-  
PANY.

340 Steuart St.,

Cement.     ~

Lime.

Plaster.

Brick.

Sewer Pipe.

Terra Cotta,

Roofing Slate.

San Francisco, June 5, 1907.

Mr. Ernest E. Evans, Vancouver, B. C.

Dear Mr. Evans: I have been much away from home since receipt of yours 20th May. Your assumption is correct. I am assured that the money realized from the sale of bonds is to be devoted only to the construction of the works of the North western Cement Company. It is my understanding that the promoters give the land in consideration of the issue to them of Promoters Shares. I think it is not usual for promoters to pay interest on bonds during the period of construction. The bonds and interest are a charge against the Corporation, and it is customary for the latter to charge interest for that period to Construction Cost.

The list of subscriptions that I gave you in January was given me by Mr. Dingee. I do not know whether it has all been raised, but I assume from what has been said to me that it would be ready when wanted to meet construction expenditures and, of course, until then bonds will not be issued and interest will not run.

I have not thought of Mr. Dingee's promise respecting the additional shares for you when I have been with him, but at first favorable opportunity I



will take occasion to bring the matter up for definite reply. [370—12211]

I am about to start on the plaster scheme and wrote Percy regarding his subscription for himself and Mr. Warner, but have had no reply.

Several Reno people have expressed a desire to take shares, but I have given our agent there only a limited line.

Yours truly,  
JOHN L. HOWARD,  
Presd't.

J. L. H./K."

“WESTERN BUILDING MATERIAL COM-  
PANY,

340 Steuart St.

Cement.	Brick.
Lime.	Sewer Pipe.
Plaster.	Terra Cotta.
	Roofing Slate.

San Francisco, June 6, 1907.

Messrs. Evans, Coleman & Evans,

Vancouver, B. C.

Dear Sirs:

I have yours of May 31st, containing draft in my favor covering the subscriptions—\$5000 each—by your firm and Mr. W. P. Warner to the shares of Western Gypsum Company. I enclose provisional receipts, as you request and pending the issue of the Certificates I will deposit the amount at 5% interest with the Western Fuel Co., which interest will be accounted for to you.

I hold, as Trustee, for you and Mr. Warner the Western Fuel Co. demand note, so that if anything should happen to the writer, this matter may not become entangled.

In a few days I will be ready to launch the scheme. The Articles of Incorporation are drawn, and when I get the disentangling of Nevada titles completed I will send you, for your files, a complete record of everything that has been done.

Your money will not be used until everything is done to suit me. I will have no trouble at all in financing this comparatively small enterprise. My predecessors took things for granted in respect of Nevada Land titles, and I am profiting by their experience as well as my own in Washington.

NORTHWESTERN CEMENT COMPANY.  
Since April 28th I have been to British Columbia, twice to Nevada and once to Santa Barbara County on business. I do not complain about work, but the past month has been terrific.

It is true that money is tight here. The call for Real Estate and building speculations was so heavy that first the Savings and latterly the Commercial Banks closed their purses against that business. But good banks are now raising interest rates on good customers, and we have not been asked to pay over 5%.

Burns & Bailiee may wish to be true what they said of Dingee, that he could not sell his Northwestern Cement bonds, but I think he has not offered them. I gave you in a previous letter [371—122mm] the amount of subscriptions as he gave them to me. It

may be that the underwriters had not taken them up, and do not expect to until it is necessary to meet the drafts for construction material, which I understand is now being ordered by Dr. Bachman, which is in the East.

However, I will get Dingee to lunch with me tomorrow, and ask him particularly about the matters of which you inquire.

I might say that the Hardwall Plaster we are making excells any other kind offered in our market, and I will have a sample bag sent to you by one of our steamers.

I suggested 'Devon' as the name of the Cement Company's station on the B. B. & C. R. R. Mr. Paige has adopted it, and the three transcontinental lines have agreed to make it a terminal point.

Stockett exploited the Coal Croppings near Kendall but found nothing, of value.

Yours truly,  
JOHN L. HOWARD,  
Pres't.

J. L. H./K."

“WESTERN BUILDING MATERIAL COM-  
PANY.

340 Steuart St.,

Cement.

Lime.

Plaster.

Brick.

Sewer Pipe.

Terra Cotta.

Roofing Slate.

San Francisco, June 7, 1907.

Ernest E. Evans, Esq.,

Vancouver, B. C.

Dear Mr. Evans:

Yesterday I had a hurried talk with Mr. Dingee, and obtained a promise that he would send me a certificate to John L. Howard, Trustee for \$25,000 in shares of Northwestern Portland Cement Company, which I will endorse and send to you. He gives this out of his own allotment and without reference to his ‘wicked partner’ the Doctor.

Now I think I have done pretty well for you, don’t you? I read to him the remarks of Bailie & Burns to you, and his reply was that they would put the scheme through ‘If it took his shirt.’

I know quite well that in all these investments you are relying on the writer and we will do our best to rise equal to the responsibility.

Yours truly,

JOHN L. HOWARD,

Pres’dt.

J.L.H./K.

Since writing above the Cert. has come in, and I enclose it. You may hold it until you want it transferred.” [372—122nn]

“June 11th, 1907. S.

Jno. L. Howard, Esq.,  
340 Steuart St.,

San Francisco, California.

Dear Sir: We are in receipt of your favor of 6th inst, enclosing provisional receipts for \$5000.00 each, on account of our firm, and of Mr. W. P. Warner, for shares in the Western Gypsum Company, and when you send us the certificates, we will return the receipts.

We note that until the money is actually required, by the Company, it is earning 5%, but we hope that you will have things disentangled within a very short time, and that you will be able to go right ahead.

With reference to your inquiry on account of Mr. Agassiz, we beg to enclose form of mortgage, which is used here and in connection with our letter of yesterday giving the values of the Vancouver property, you must bear in mind that the Loan Companies only loan 50% or at the outside 60% on the valuation, they having the property valued as a rule by two independent real estate men. Regarding the property in the Yale-Lytton District we find that this is in the neighborhood of Kamloops, and our solicitors have telegraphed their correspondents to find out particulars. With reference to the Agassiz Estate we find that they have proof of the death of Mr. Agassiz, but our solicitors advise us that in the absence of the Trust Deed to which Mr. Agassiz refers they are unable to say whether his statements are correct, as there is no Deed on record in New Westminster.



522 *Standard Portland Cement Corporation*

However, they are writing us on this subject,

Yours faithfully,

Diet. E.E.E."

"Personal.

June 12th, 1907. S.

Jno. L. Howard, Esq.,

San Francisco.

Dear Mr. Howard:—

I have to thank you for yours of the 7th inst. enclosing certificate for \$25,000.00 shares in your name as trustee duly endorsed to my firm, of the North Western Portland Cement Co., which you obtained from Mr. Dingee as my commission. I have to thank you for the trouble that you have taken in the matter, and with you, think that you have done pretty well for me, and sincerely trust that both of us will reap a handsome reward for the time and trouble spent on this enterprise.

Yours faithfully.

Diet. E.E.E." [373—12200]

"WESTERN FUEL COMPANY,

San Francisco, August 12, 1907.

Ernest E. Evans, Esq.,

Vancouver,

British Columbia.

Dear Sir:—

Have you been able to get any information from Mr. Hendry or McNeill, regarding the power question?

I omitted writing you on my return as to what I saw at Kendall. The Spur Track was laid for 1500 feet from the Main line. The Right of Way was cleared for the balance of the distance, and was being graded.

Altogether the factory site and spur track required the clearing of about 50 acres, and on the factory site there were two engines engaged in drawing and piling stumps preparatory to burning.

It was estimated that this part of the work would be finished by October 1st, and then there may be a little grading to do, because after the trees and bushes are cut out some surface inequalities will require to be levelled.

Did I tell you that I paid Gregory \$150.00 and he withdrew his appeal, and that I have now the U. S. Land Office certificate?

I do not learn anything further about the Northwestern Cement Company further than that the plans are all completed and that Dr. Bachman does not advise Mr. Dingee what he is doing.

Yours truly,

JOHN L. HOWARD.

JLH."

"16th August 1907. H.

John L. Howard, Esq.,  
Care Western Fuel Co.,  
340 Steuart St.,  
San Francisco,

Dear Mr. Howard: In reply to your letter of the 12th inst. both Messrs. Hendry and Macneill have been absent since you left here, but the latter returned

the other day and I had a talk to him yesterday. He states that the work at Stave Lake is further ahead than they anticipated and if they are not bothered with early high water this fall, they fully expect to have their piers sufficient high so that they can continue work right along, in which case, he states that they will be ready to supply power next August to Vancouver; consequently, you will see from this that the whole question hinges on whether the fall rains are going to be early or late this year. We had a spell of wet weather last week and the water rose considerably, but not sufficient to stop work, and it is now receding, but on the other hand, the weather looks quite unsettled. [374—122pp]

I note all you write with regard to the progress of the work at Kendall. This is satisfactory as far as far as it goes, but I candidly confess that I am sorry that I put up any money, not on my own account, but because on the strength of statements I made that all the capital had been put up, I sold \$30,000 worth of bonds to friends of mine, and I feel morally responsible to them for the money, as I assured them that before investing, I had investigated and had been informed that all the money had been actually paid in, and that the works would be started at once, but I have my suspicions that the only money which has actually been put up is that which has been put up by ourselves and your friends, and that this is the money which is being now expended.

Yours faithfully.

Dict. E.E.E."

“87 Vernon Street, Oakland California.

Dear Mr. Evans: I received yr. note of 22nd. August enclosing clipping abt. Western Estates Co.

I have sent the letter to Mr. Dingee and have again asked what Dr. Bachman is doing in the east in respect of ordering the Equipment for Kendall—will advise you what I learn.

Some of our miners are showing their teeth a little as against Octo 1st. A second mass meeting was called on Saty. but the wires are not working well & T.R.S. is probably writing instead of wiring. No trouble may come, but a minority of hot head Socialists is trying to run the game and if we can get the rank & file of our men to come to the front I think that trouble may be averted. It seems at its inception to be a combination of influences i e

From Hawthonewaite who wants to rivet his political power in Nanaimo & from the United Mine Workers of America who want to get their grip on our property & business.

Confidentially we have written Wellington Colly Co. that our Cala agreement must terminate Aug. 31. J.N.L. is due here in the latter part of the month to confer.

In haste,

Yours,

J.L.H.”

“9th Sept. 1907. H.

John L. Howard, Esq.,  
Care Western Fuel Co.,  
San Francisco.

Dear Mr. Howard: Thanks for copy of letter re-

ceived from Mr. Dingee, from which I note that the plans for the Northwestern Portland Cement Co. have been completed, and he alleges that some of the machinery has already been ordered, and I hope that such may [375—122qq] turn out to be the case.

For your guidance, I had a call from the manager of the Northwestern Hardware Co. at *Bellingha*, who wanted us to sell him 6000 bbls. 'Vancouver' brand Portland Cement. I told him that we would not sell any cement in the U.S. without your consent. He informs us that the City Engineer at Bellingham absolutely refuses to allow the contractors for the street, to use 'Standard' or 'Golden Gate' and he also states that although the Washington people supplied some excellent quality some little time ago, there has been some trouble with their Cement, and not only that, the Company states that they are 80,000 bbls. behind in their orders, and cannot supply him. Under these circumstances, I should be much obliged if you would kindly consider this matter and telegraph on receipt whether you have any objection to the Vancouver Portland Cement Co. selling this cement in Bellingham.

I indicated to the Northwestern Hardware Co. that our price would be about \$2.65 per bbl. of 375 lbs. F.o.b. the Works at Todd Inlet, and the freight rate would be 25c per bbl. sacks to be charged for at 10c each, which money was to be refunded on the return of the sacks, freight prepaid, in good condition.

I spoke to Mr. Butchart over the telephone and he states that he will not quote Cement for your side of the line without your consent.



I understood the Northwestern Hardware Co. people to state that they had received some Cement from Santa Cruz, the quality of which would not satisfy the engineer at Bellingham.

Yours faithfully.

Dict. E.E.E."

"11th Decr, 1907. H.

John L. Howard, Esq.,  
Care Western Fuel Co.,  
430 California St.,  
San Francisco.

Dear Mr. Howard: For your private guidance, I enclose copy of letter received today from Mr. E.E. Caine, with regard to the agency of the Superior Portland Cement Co. which explains itself. Mr. Caine apparently, is unaware that we are the local agents for the output of the Vancouver Portland Cement Co. who also protect us in quotations in the Upper Country otherwise, no doubt, he would not have approached us. I have replied to him that I contemplated being in Seattle on 21st inst. and will then be pleased to meet him, also the President of the Company, the object being to find out all the information I can. There fore if there is any information of importance you wish me to try and get, kindly write me on receipt.

It looks to me that with the erection of the above also the Washington plant, Mr. Dingee has missed his opportunity [376—122rr] and had I ever dreamt that he and DR. Bachman were going to act in the way in which they have done, in connection with the so-called Northwestern Portland Cement

Co. neither of them would ever have had a dollar of my money. Unfortunately, as I told you, we disposed of \$15,000. worth of bonds to friends of ours, who are asking for information about the company, and what is being done, and I am nonplussed, and would be glad to know whether you have any objection to my writing the Secretary of the Company direct, asking when the first meeting of shareholders is to take place: for a copy of the Balance Sheet: how many bonds have actually been sold: what has become of the proceeds of those sold, and what has been done in connection with the erection of the proposed works.

Candidly, I am suspicious that everything is not as it should be, and I suppose that if I asked these questions, I should probably get the stereotyped reply, which we are getting accustomed to, viz.: that the work is being delayed on account of the stringency in the money market, but if the \$750,000 had been put up, as I was led to believe that it had been, when our \$45,000 was put up, this should have nothing to do with it.

Trusting that you are well, and not over-working yourself,

Yours sincerely,

E.E.E.”

John L. Howard,	James E. Smith,	Jos. L. Schmitt,	D. C. Norcross,
Pres't.	Vice-Pres't.	Treas.	Sec't'y.

“WESTERN BUILDING MATERIAL COM-  
PANY.

430 California St.

San Francisco, December 16, 1907.

Mr. Ernest E. Evans.

Vancouver,

British Columbia.

Dear Mr. Evans:

I am in receipt of your letter of the 11th December, and do not know that there is anything that interests us in connection with the Superior Portland Cement Company, excepting such general information as you may gather, and that you may be at liberty to disclose.

I agree with you that both Balfour, Guthrie & Co. and Bachman & Dingee, missed a golden opportunity at Kendall.

In the Summer of 1906, the Kendall scheme was a good and promising one, but I would never have bothered with it had I known that it would not have been pushed with the vigor that was promised.

My belief is that D. & B. were counting on an unbroken continuance of the good times that lead to the absorption of all kinds of securities, and they proceeded with the construction of the Atlantic Works in the east, and with the doubling of the Santa Cruz works here.

The unexpected pinch came, and it looks as though [377—122ss] the withdrawal of public purchases of bonds and stocks forced them to rely on their own

resources, and I have reason to know that they have been borrowers in recent times.

This is my theory.

Instead of writing to the Secretary, it would be better to address W. J. Dingee, President of Northwestern Portland Cement Company.

What I personally want to lead up to is their purchase of all the bonds that went through my hands, and I will try to deliver all the shares that passed to me.

This, if practicable, will get my friends out, and I will then find myself relieved of all kind of responsibility, moral and otherwise.

Yours truly,

JOHN L. HOWARD.

JLH."

"20th December, 1907. H.

John L. Howard, Esq.,

C/o Western Fuel Co.,

430 California St.,

San Francisco.

Dear Mr. Howard:

I am in receipt of your favour of the 16th inst., and on my return from Seattle, will let you know the result of the interview I had with Messrs. Caine and Eden, of the Superior Portland Cement Company.

I note all you write with regard to the Northwestern Portland Cement Company, from which it appears that the very thing has happened, which, if you refer to my letter of 11th of January last, you will see I asked you to protect me from, before making the investment, and consequently, I feel very sore.

I am well aware of the relations which exist between you and Mr. Dingee, which of course, I do not wish to disturb, and acting on your suggestion, I have written him, as per enclosed copy which I trust will meet with your approval.

I am pleased to note that you apparently take the same view as I do, viz.: that if it is at all times practicable to get the money back, it would be the best thing for all concerned, as I will gracefully pocket any loss which my personal friends may have incurred by making the investment, on my advice, and I should be very glad if you could bring this about.

Yours faithfully.

E.E.E. " [378—122tt]

"John L. Howard,	James B. Smith,	Jos. L. Schmitt,	D. C. Norcross,
Pres't.	Vice-Pres't.	Treas.	Sec't'y.

# “WESTERN BUILDING MATERIAL COMPANY.

430 California St.

San Francisco, December 26, 1907.

Ernest E. Evans, Esq.,

Vancouver,

British Columbia.

Dear Mr. Evans:

I have your letter of the 20th of December enclosing copy of yours to Mr. Dingee.

My relations to him are purely those of business, and no more intimate than can exist between the heads of two concerns with large and constant transactions. I have been him only in a month.

Dr. Bachman assured me that they had arrange-

ments for financing the Northwestern Portland Cement Company, and at that times they were so strong as to entitle their statements to credence.

Beyond their statement, there could have been no other proof than to see the books and the transactions completed.

What I have in mind is this, that I learned very confidentially that negotiations are under way for the sale of the B. B. and B. C. Railroad, and in the event that it goes through, I shall wire them to apply their part of the proceeds to the purchase of the Northwestern Portland Cement Company's bonds, especially those that passed through my hands.

In this way there would be no loss for you to stand such as you intimate.

Yours very truly,

JOHN L. HOWARD.

JLH."

"6th January 1918. M.

W. J. Dingee, Esq.,

President of Northwestern Portland Cement  
Co.,

430 California Street,

San Francisco.

Dear Sir:

On 20th ultimo I wrote asking you for certain information in connection with the Northwestern Portland Cement Company to which I have had no reply, and in case the letter has gone astray, I beg to enclose a copy and shall be much obliged if you will



kindly answer the questions contained therein.

Yours faithfully.

E.E.E." [379—122uu]

“7th January 1908. H.

John L. Howard, Esq.,  
C/o Western Fuel Company,  
Nanaimo.

Dear Mr. Howard:

NORTHWESTERN PORTLAND CEMENT CO.

Yours namesake at Bellingham, telephoned me yesterday morning, apparently in a great state of mind, stating that the men who had been working on the clearing, under Mr. Davis, the Engineer, and who were laid off two months ago had not received their pay, and some of them were still on the property waiting for it, practically on the verge of starvation, and were proceeding to file liens. He also informed me that several of the merchants of Bellingham, from whom goods had been purchased, had been interviewing both he and Mr. Purdy, and they distinctly stated that unless they received settlement of their claims forthwith, legal proceedings would be commenced.

Mr. Howard claims that he has communicated with the company, who have not had the common decency to reply, and his object in telephoning me was to ascertain your whereabouts, thinking that if you were advised of the situation, you would see that matters were adjusted without delay, as of course, he, Purdy, and others, in Bellingham are anxious to avoid publicity. I therefore wired you to this effect

and this morning have a telegram from Mr. Norcross stating that you would be in Portland all today and that he has sent a copy of the telegram to Mr. Dingee, who states settlement will be made before the 15th, and I have so advised Mr. Howard.

For your guidance, I have not received any reply from Mr. Dingee to my letter of 20th ulto. and I have again written him, as per copy enclosed. I do not believe for a moment that he did not receive my letter, and I am most anxious to discuss this business frankly with you, and shall be glad to know whether you propose returning home via Vancouver: if not, I will run over to Nanaimo one afternoon, which would be rather inconvenient just now, as Percy will not be back until some time next week.

Yours faithfully.

E.E.E."

“WESTERN FUEL COMPANY,

Miners and Shippers

of

NEW WELLINGTON COAL.

Nanaimo, B. C.

Office of The Manager.

Ernest E. Evans, Esq.,

Vancouver, B. C.

January 10, 1908.

Dear Mr. Evans:

I have yours of 7th with enclosures:

Should Mr. Crosbie come to Nanaimo I will go home via Victoria otherwise I will visit him at Vancouver. In the latter case I will be there late in the

coming week. [380—122vv]

As to Mr. Dingee, I have seen him only twice since November. There was some tart correspondence over business matters between our two Companies. On One occasion he threatened to take away the agency if I carried out a threat and I told him to take it: He apologized. On Another he wanted us to adopt a wrong, a needless and an expensive (to us) policy in the south. I refused, and told him that we would prefer to cancel our contract.

But I did not know that things at Kendall had come to the pass indicated in Mr. Howard's statement to you.

This is wrong and it will be taken up immediately I reach home. I am surprised, that knowing you to be a shareowner and a Bondholder in the N. W. P. C. Co. he did not pay you the courtesy of a reply to your letter.

He has placed some of the bonds and shares about San Francisco; I do not know how many, but at times parties have spoken about having them.

But there is not the investment at Kendall to represent the amount I think he has received, to say nothing of the arrangements which he said he had for financing that project.

There are means open to interested parties to ascertain how much has been paid and what disposition has been made of it, and those means will be used.

Yours very truly,  
JOHN L. HOWARD, Pres'dt."

“11th January, 1908.     H.

John L. Howard, Esq.,  
Care Western Fuel Co.,  
Nanaimo.

Dear Mr. Howard: I was pleased to receive yours of 10th inst. and to see the stand you take with regard to Mr. Dingee. Mr. Crosbie advises me that he is not able to leave Vancouver, therefore I shall look forward to the pleasure of seeing you about the end of next week, when we can discuss as to what is the best thing to be done.

I am pleased to say that Percy turned up quite unexpectedly in the office yesterday, so after this I shall not be tied down and if necessary, about the middle of next month, will be able to go to San Francisco.

Yours faithfully.

E.E.E.”

“29th January 1908.     H.

John L. Howard, Esq.,  
C/o Western Fuel Co.,  
430 California Street.  
San Francisco:

Dear Mr. Howard:—Thanks for yours of 25th inst. with regard to [381—122ww] Mr. Kind of the Golden Gate Cement Company. The report that you heard about Mr. Kind’s visit to City Engineer Thompson at Seattle is correct, and he has refused to put this brand on his list again.

I have received no reply from Mr. Dingee to my last letter, which was sent from here under registered cover on 7th inst. I have today written to the Postmaster here to write to the authorities at San

Francisco to find out whether the letter was delivered; if so, when, and who signed for it. Not having had anything from you on the subject of the Northwestern Portland Cement Co. I presume that you have been so busy since your return that you have had *had* no time to see Mr. Dingee.

I regret that I shall be unable to get away from here before 22nd prox. and it is doubtful if I shall be able to get away then, but I intend going to San Francisco as soon as I possibly can, when, if I get no satisfaction in the meantime, I intend to get some satisfaction out of Mr. Dingee, even if I have to go to the expense and worry of getting it through the courts.

Yours faithfully,

E.E.E.”

“30th January 1908. H.

John L. Howard, Esq.,  
C/o Western Fuel Co.,  
430 California Street,  
San Francisco.

Dear Mr. Howard:

I have just received your telegram asking if Mr. Dingee had made any reply to my letters; if so, to send copies; and I confirm my reply advising that I had heard nothing whatsoever from him. I wrote you fully on this matter last night, and am much interested to know what is going on.

Yours faithfully,

E.E.E.”

"John L. Howard,	James B. Smith,	Jos. L. Schmitt,	D. C. Norcross,
Pres't.	Vice-Pres't.	Treas.	Sec't'y.

WESTERN FUEL COMPANY,

430 California St.

San Francisco, Cal. Jan. 30, 1908.

E. E. Evans, Esq.,

Vancouver,

British Columbia.

Dear Sir:

I enclose copy of a letter sent today by hand to Mr. Dingee. If he has not and does not reply satisfactorily to you, or if he does not answer my letter, then I want you to send me a piece of your stock, it does not make any difference for how many or how [382—122xx] few shares.

The point is this—

Under our Law any shareholder has a right to go into the office of any corporation and examine its books.

It has very frequently happened that a share-owner has appointed a person to do this, but out attorney (while knowing that this has been frequently practiced) is not altogether certain that an appointee has a right to demand an examination.

After the receipt of your certificate I would appoint a competent person, tell him to have the stock transferred to his name, and then he will endorse it and I will return it to you.

Such an appointee would have of course to be a person competent to examine corporation accounts.

When you send me this certificate, please write me a letter requesting that I shall transfer this to some



competent person, and requesting him in your behalf to make this examination.

I may tell you that on Saturday last I sent word to the Cement Companies, through their attorney, that we invited and would welcome a cancellation of our contract with the two Cement Companies.

This brought Dr. Bachman to me on Monday, and I repeated it to him. Although he showed a willingness to accept the situation I thought this was to a large extent simulated.

I gave them February 1st or March 1st as the date of separation, leaving it to them to decide. They will probably organize their own selling department.

It is too long a story to give you in a letter, but it has been culminating for the last forty days, and it grew out of the want of good business methods on their part in their treatment of our bills, and of claims for Cement that was alleged to be defective.

I could not stand the strain any longer and told them I wanted to quit.

We will, however, stay in the Cement business in some shape.

The Golden Gate Company got into trouble with the Mercantile Trust Company. The indebtedness I hear is over \$400,000. The Bank made them issue \$750,000 of bonds which they took, and forced the shareowners to put an equal amount of stock as a bonus. These bonds and this stock have all been taken.

Balfour, Guthrie & Company have subscribed for \$25,000. The Cement Company has further given an option for one year to the Bank to buy an addi-

tional \$750,000 of shares at \$60.00, and the Bank holds the voting power of the Company for two years.

It looks as though this furnishes them with \$300,000 of working capital, and the fixed charges are \$45,000 per annum. [383—122yy]

Yesterday when I asked Mr. Lawson if they were not in it he said, 'yes,' and 'that a year ago I thought the Scotchmen were too slow.'

They know all about the quiet condition of things at Kendall and it is a matter of common notoriety that Dingee is trying to borrow money everywhere. He will have to have a good deal of working capital when he undertakes to handle his own Cement product.

Yours truly,  
JOHN L. HOWARD.

J.L.H."

"January 30, 1908.

Copy for Mr. E. E. Evans.

W. J. Dingee, Esq.,  
Crocker Building,  
City.

Dear Sir:

When in Vancouver recently I saw Mr. Ernest Evans, who was much concerned regarding the condition of the Northwestern Portland Cement Company's affairs at Kendall.

He said he had written two letters to you, and at that time had received no reply.

If you have not sent him the requested informa-

tion will you please do so, or if you like to send it to me I will forward it.

Yours truly.

JLH."

"POST OFFICE, 6,000-3-7-'06.

Vancouver, B. C., Feb. 1st, 1908.

My dear Sir: Referring to your letter of the 29th ulto., to the effect that a registered letter sent by you on the 7th instant, addressed to W. J. Dingee, San Francisco, Cal., has not been acknowledged I beg to inform you that a tracer has been issued and you will be duly advised of the result of our enquiries.

Yours very truly,

(Signature illegible.)

Acting Postmaster.

Messrs. Evans, Coleman & Evans.

Vancouver, B. C." [384—123]

"3rd February 1908. H.

John L. Howard, Esq.,

C/o Western Fuel Co.,

430 California St.,

San Francisco.

Dear Sir:

I have yours of 30th ulto. and as requested, beg to enclose certificate number 64, for 150 shares in the Northwestern Portland Cement Company, duly endorsed by me and my signature witnessed by a Notary Public. I also enclose, as requested, letter authorizing you to transfer this certificate to your nominee, with the request that you instruct him to

examine the books of the Company on my behalf.

I am much interested in all you write with regard to your relations with Mr. Dingee's cement Companies, but it will surprise me very much if they accept your resignation of the selling agency, as in these days of tight money, it will be very hard for them to get hold of anybody who will be able to handle and finance the product satisfactorily.

I note what you write with regard to Balfour, Guthrie & Co. and although Bailiee has not said anything to me, I feel practically sure that they know everything that is going on—in fact Dingee's financial position and his character are causing a great deal of comment in Cement circles in Seattle just now.

I am sorry to say that Percy has been in bed for very nearly ten days. The Doctor does not know exactly what is the matter with him, but it looks very much as if the illness may turn into typhoid fever. If so, this may prevent my going to San Francisco this month. However, I should know definitely early next week.

Yours faithfully.

E.E.E."

"3rd February 1908. H.

John L. Howard,  
c/o Western Fuel Co.,  
San Francisco.

Dear Sir:

I beg to enclose Certificate No. 64 for 150 ordinary shares of the Northwestern Portland Cement Co. Kindly transfer these shares to some competent person, and request him to proceed to the office of the

Company, and make an examination of the books, and ascertain how many bonds have actually been disposed of, to whom and the actual amount of cash realized from same, and what has become of it; also kindly instruct him to get a list of the shareholders with their names and respective holdings. After he has obtained this information, kindly have him endorse this *certifetae* and return to you, to be returned to me in due course.

Yours faithfully.

E.E.E."

“WESTERN FUEL COMPANY,

San Francisco, February 4, 1908.

Ernest E. Evans, Esq.

Vancouver, British Columbia. [385—123a]

Dear Mr. Evans:

I am in receipt of your letter of January 29th, and note that you may be able to leave Vancouver on the 22nd.

By this time you will have received my letter of Jan. 30th, and you will understand how matters are between Mr. Dingee and the writer.

I am a Shareholder of the Northwestern Cement Company, but as you know my shares are promotion shares.

I have a right to demand an examination of the books and accounts, but if I do so, it would give him opportunity to treat my demand in a different way than he would if it came from a bona fide investor of money.

I care nothing for the shares I own. He may have

them all if he will repay to my friends the money that they put into the scheme upon the faith of his promises to promptly build the plant.

He is not in a position at the present to do this, or to build. According to common street rumors he has borrowed all that he could get and is seeking more.

What greatly disconcerted me was this—

Since my return there came into my hands a copy of his Annual Statement of Standard Portland Cement corporation.

It was a meagre affair, and he did not hold a meeting of shareowners.

Among other things that would seem to need explanation to that company's shareowners and to us, was an item of liability of \$17,000 due to the Northwestern Portland Cement Company at Dec. 31st, and yet on November 1st he availed himself of the Governor's holidays to defer coupon payments until January, and at Dec. 31st the property of the Northwestern Portland Cement Company was threatened with liens for the non-payment of wages and supplies.

How can he reconcile his inability to pay the interest and wages of the Northwestern Portland Cement Company while another corporation under his control owed it money.

Therefore, not for myself but for my friends, I want to assist in having these matters looked into.

If you can come I can be of considerable service; if you cannot come, and you will carry out the sug-



gestion in my last I will start the business along.

Yours truly,

JOHN L. HOWARD.

J. L. H.”

“WESTERN FUEL COMPANY,

San Francisco, February 10, 1908.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Sir: I am in receipt of your letter of February 3, 1908, enclosing [386—123b] certificate #64 for 150 shares of Northwestern Cement stock.

I might add that the recent discussions with the Cement Companies have been conducted through Dr. Bachman, who assented to our proposal to separate.

On Saturday last Mr. Dingee, whom I had not seen since before I left for the North January 4th called for a requested interview, and strongly urged that the separation should not take place, agreeing that all past and existing causes for friction should be satisfied and removed.

I think that my associates will rigidly adhere to the purpose of separating.

Am sorry to learn of Percy's illness, and shall be glad to hear from you that he has improved.

Yours truly,

JOHN L. HOWARD.

JLH.”

“10th Feby. 1908.     H.

John L. Howard, Esq.,  
c/o Western Fuel Co.,  
San Francisco.

Dear Mr. Howard:

I duly received your favor of the 4th inst. and note all you write with regard to Northwestern Portland Cement Co. It seems to me that there should be no delay in bringing this matter to a head, and what I would suggest is, that you call all your friends together, to whom you sold the bonds, and tell them frankly what your suspicions are, and arrange for some lawyer to go ahead on their behalf, on the understanding that they contribute pro rata to the expense according to their holdings of bonds. If Mr. Dingee has used the money other than for the purposes for which it was subscribed, I take it that he is criminally liable and that he should either be made to refund the money without delay, or failing this, criminally prosecuted. I understand that Mr. Sidney Smith is a Bondholder and Shareowner, and that he should know what is the best way to proceed.

At time of writing, I cannot say positively when I shall be able to leave here. Percy is still in bed, and I am afraid will not be fit for work for about two weeks, therefore, it looks to me as if it would be the end of the month at the earliest before I shall be able to get away.

Yours faithfully.

E.E.E.”

“WESTERN FUEL COMPANY,

San Francisco, February 14, 1908.

E. E. Evans, Esq.,

Vancouver, British Columbia.

Dear Sir: Your certificate of stock that came to hand was placed with Mr. Wenzelburger a public accountant. [387—123c]

It is reported to me that he had it transferred on Tuesday or Wednesday and requested to see the books, and the young Secretary intimated that he did not know him.

His reply was that they did not need to know him, but that if they wanted to know him he could give them certain references, which he did.

He then called their attention to the section of the California State Code on the subject of exhibiting the records of corporation to bona fide shareowners, and told them that he would return in two days. We are now expecting to hear from him.

I am sorry to learn that Percy is still in bed, and hope that he will pull through in the time that you indicate.

I might say that on Saturday last Mr. Dingee asked for a reconsideration of our determination.

I called the Board together and the Directors reaffirmed their preference for a separation, and this was conveyed to him by letter. Today I have a note from him asking for a personal interview rather than writing to me, but some engagements and the need of going out of town, to remain perhaps until

548     *Standard Portland Cement Corporation*

Monday morning will prevent the meeting.

Yours truly,

JOHN L. HOWARD.

JLH.

P. S. The Expert has gone to the Cement office  
this P. M.

JLH."

"18th February, 1908. H.

John L. Howard, Esq.,  
c/o Western Fuel Co.,  
San Francisco.

Dear Mr. Howard:

Thanks very much for your favor of the 14th inst.  
from which I am pleased to note that Mr. Wenzel-  
burger has started to make an examination of the  
books of the Northwestern Portland Cement Co. and  
I am awaiting with much interest the results of this  
investigation.

For your guidance, I enclose copy of letter which  
Mr. C. D. Rand of Vancouver, wrote to the Secretary  
of the Company, together with the copy of his reply  
which may be of interest to you.

I am pleased to say that Percy is progressing fav-  
orably, but the Doctor tells me that he will not be  
able to get out of bed with safety until the end of the  
week, and that it will be fully two weeks after then  
before he will be able to resume business; therefore  
it looks very much as if I shall not be able to leave  
here until about 4th prox.

Yours faithfully,

E.E.E." [388—123d]

"John L. Howard,	James B. Smith,	Jos. L. Schmitt,	D. C. Norcross,
President.	Vice-President.	Treasurer.	Secretary.

WESTERN BUILDING MATERIAL CO.,

430 California St.

San Francisco, Calif. Feb. 27, 1908.

Ernest E. Evans, Esq.,

Vancouver, British Columbia.

Dear Sir:

Herewith certificate #196 for 150 shares Northwestern Portland Cement Company issued by A. Wenzelburger, and by him endorsed.

This is to replace the certificate which you sent for his use. Also a copy of the report of his examination of the Company's affairs.

You may digest this letter, and I expect to meet you here on my return from the east before you get away from San Francisco.

I leave on Monday A. M.

Yours truly,

JOHN L. HOWARD."

"4th March 1908. H.

John L. Howard, Esq.,

c/o Balfour Williamson & Co.,

82 Beaver Street,

New York.

Dear Mr. Howard:

I duly received yours of the 27th ult. enclosing certificate No. 196 for 150 shares in the Northwestern Portland Cement Co. endorsed by Mr. A. Wenzelburger, together with copy of this gentlemen's report. I have had no time to thoroughly go into same, but

the first glance shows me that my suspicions are more than confirmed, and that Messrs. Dingee and Bachman have been using the money for their own personal benefit, and according to the laws of this country are criminally liable, and if they were here, they would either have to make the money good within forty-eight hours, or they would be arrested.

I have arranged to leave here on 13th or 14th inst. and consequently am due at, the Fairmount Hotel San Francisco, on 16th or 17th, and as I presume that you will not be back until about 30th inst. I shall in all probability go down to Del Monte or the Potter at Santa Barbara, on 21st, and wait there until your return.

It seems to me that nothing is to be gained by waiting, and I shall be much obliged if you will write me to San Francisco, either c/o Balfours, or at your own office, whether I can do anything before your return. Do you think it advisable for me to call on Mr. Dingee and ask him why he has not replied to my [389—123e] letters, and for other information, and have you any objection to my consulting Messrs. Sidney V. Smith, J. L. Schmitt, and Robert Bruce, in the meantime?

Yours sincerely.

E.E.E."



"John L. Howard,	James B. Smith,	Jos. L. Schmitt,	D. C. Norcross,
President.	Vice-President.	Treasurer.	Secretary.

WESTERN BUILDING MATERIAL CO.,

430 California St.

San Francisco, Cal., Mar. 28, 1908.

E. E. Evans, Esq.,

Vancouver,

B. C.

Dear Sir:

After conference with some of the subscribers of bonds of the Northwestern Portland Cement Company, I have arranged that the Standard Cement Corporation will take up the bonds that were subscribed for through the writer, and that corporation will issue in payments its notes for the face value of the bonds, payable on or before one year with interest at six percent payable semi-annually.

Will you, therefore, please send me your bonds and all the shares, and will give you receipt therefor, until I deliver you the notes as stated.

The Standard Portland Cement Corporation has authority by its Articles of Incorporation to buy and own securities in other corporations.

Its Board of Directors will authorize this step, and I shall be furnished with a certified copy of the authority to purchase. Mr. W. J. Dingee as President will endorse these notes.

Yours truly,

JOHN L. HOWARD.

J.L.H."

“13th April 1908.     M.

John L. Howard, Esq.,  
     c/o The Western Fuel Co.,  
     430 California St.,  
     San Francisco, Cal.

#4

Dear Sir: Enclosed we beg to hand nine certificates covering 3,000 shares in the Northwestern Portland Cement Company, as follows:

No. 65 for 150 shares in name of Ernest E. Evans.

“	66	“	150	“	“	“	“	Do.
“	68	“	1000	“	“	“	“	Do.
“	69	“	150	“	“	“	“	Do.
“	160	“	30	“	“	“	“	Do.
“	179	“	50	“	“	“	“	Do.

[390—123f]

“	180	“	70	“	“	“	“	Adam L. Russel.
“	188	“	250	“	“	“	“	John L. Howard, Trustee.
“	196	“	150	“	“	“	“	A. Wenzelburger.

Kindly acknowledge receipt and oblige,

Yours faithfully,

Dict. E.E.E.”

“13th April, 1908.

#1

John L. Howard, Esq.,  
     Western Fuel Co.,  
     430 California Street,  
     San Francisco, Calif.

Dear Sir:

Enclosed we beg to hand you 10 bonds of \$1000.00

each of Northwestern Portland Cement Company,  
numbered 128 to 137 inclusive. Kindly acknowledge  
receipt and oblige,

Yours faithfully,

Dict. E. E. E.”

“13th April, 1908. M.

John L. Howard, Esq.,

C/o The Western Fuel Company,

430 California Street,

San Francisco, Cal.

#3

Dear Sir: Enclosed we beg to hand you 10 bonds  
of \$1,000.00 each of Northwestern Portland Cement  
Company, numbered 148 to 157 inclusive. Kindly  
acknowledge receipt and oblige,

Yours faithfully,

Dict. E.E.E.”

“13th April, 1908. M.

John L. Howard, Esq.,

C/o The Western Fuel Co.,

430 California Street,

San Francisco, Calif.

Dear Sir: Enclosed we beg to hand you 10 bonds  
of \$1000.00 each of Northwestern Portland Cement  
Company, numbered 138 to 147 inclusive. Kindly  
acknowledge receipt and oblige,

Yours faithfully,

Dict. E.E.E.” [391—123g]

“13th April, 1908.    H.

John L. Howard, Esq.,  
c/o The Western Fuel Company,  
San Francisco.

Dear Mr. Howard:

I beg to advise having forwarded you in four separate envelopes under registered mail, 30 bonds of \$1000 each, also 9 certificates covering 2,000 shares in the Northwestern Portland Cement Company, and beg to enclose copies of letters put in the respective envelopes, and as arranged shall be much obliged if you will kindly hand these over in exchange for the Standard Portland Cement Company's note, endorsed by Mr. Dingee. Of course you will collect the interest in cash from the 1st of December, until the date of the note, as coupons covering interest up to 1st of May are attached to the bonds.

I am in communication with my friends Messrs. C. D. Rand and W. P. and E. H. Warner, who each hold \$5,000 in bonds and a like amount in shares, but I hardly expect to hear from the Warners under five or six weeks.

Yours faithfully,

E.E.E.”

“14th April, 1908.    H.

John L. Howard, Esq.,  
C/o The Western Fuel Co.,  
San Francisco.

Dear Sir: Enclosed we beg to hand 5 bonds for \$100 each numbered 123 to 127 inclusive, in the Northwestern Portland Cement Co. endorsed by Mr.

Charles D. Rand of Vancouver, and we shall be much obliged if you will kindly exchange these for the Standard Portland Cement Company's notes for \$5,000 as arranged. You will observe that the interest coupons due on the 1st of May next are attached to the bonds, and we shall be much obliged if before delivering over these bonds, you will collect the interest from 30th November until date of the note, and we should also like you to see that the shares are transferred on the Register so as to get rid of the liability.

Yours faithfully,

E. E. E.2''

John L. Howard,	James B. Smith,	Jos. Schmitt,	D. C. Norcross,
President.	Vice-Pres't.	Treasurer.	Secretary.

WESTERN FUEL COMPANY,

430 California St.,

San Francisco, April 20th, 1908.

Mess. Evans, Coleman & Evans,  
Vancouver, British Columbia.

Dear Sirs: I am today in receipt of your registered letters of April 13th and 14th, enclosing 35 bonds of the Northwestern Portland Cement Company and 2,000 shares of stock referred to in yours [392—123h] of April 13th. Also 50 shares referred to in yours of April 14th.

I note your remarks and will see that your instructions are carried out as soon as possible.

Yours truly,

JOHN L. HOWARD.

JLH. ''

(Testimony of John L. Howard.)

Cross-examination.

Mr. OLNEY.—Q. Mr. Howard, how soon was it that you received the promotion shares of the Northwestern Portland Cement Company that you had the same transferred into your name, or otherwise?

A. I never saw any shares until they came in my name, or my wife's name. I never saw that certificate; it is made out there in the name of Frank Losh. I don't know that I received certificate No. 11 for 9,000 shares. Let me see it. I don't think I ever had that.

Mr. OLNEY.—So far as the stock certificate book shows, it shows no stock certificate issued to Mr. Howard prior to January 5, 1907. Is not that correct? It will save putting in the [393—123i] whole stock certificate book to show it that is all.

Mr. BROBECK.—That is true. It is a matter of the weight of evidence.

Mr. OLNEY.—The fact is true.

Mr. BROBECK.—That is correct to this extent, that there is not in the stock journal any entry of any certificate having been issued to Mr. Howard prior to that date—to Mr. Howard *eo nomine*, but the suggestion is made by Mr. Young that a certificate was issued, No. 11, to Mr. Losh as trustee who held for Mr. Howard 9,000 shares.

Mr. OLNEY.—Mr. Young is not a witness here as yet, and furthermore he was not the secretary at that time, and does not know anything about it, and I would ask that that statement be not incorporated in the record.



(Testimony of John L. Howard.)

The MASTER.—Well, it is no proof whether it is in or not, and it is no proper party to any stipulation because it is a matter of proof. Now, what I understand that Mr. Olney wishes is just that fact, that by the stock certificate book and the stock journal and the ledger the first time that Mr. Howard appeared as a stockholder and the holder of legal title to stock on the books is January 5, 1907. Now, is that stipulation given?

Mr. BROBECK.—Yes, that is true.

Mr. DUNNE.—Being certificate No. 51 for 250 shares.

Mr. OLNEY.—Now, it is stipulated, gentlemen, that the bond issue of the Northwestern Portland Cement Co. was authorized by a meeting of the stockholders on November 3d, 1906.

Mr. DUNNE.—Yes, that is correct.

The WITNESS.—(Continuing.) I took no part in the San Francisco management of the Northwestern Portland Cement Co. as to the management of the company's affairs in the Northwest, I looked after the purchase of the properties and conferred with the lawyers and investigated the question of rod [394—124] for power and rates of freight for the product, and all those things. I did all of that with the assistance to some extent of Mr. Evans. That covers my activities in connection with the management of the Northwestern Portland Cement Company. I had nothing to do with the business here. I was constantly telling Mr. Dingee and Mr. Bachman and whoever happened to be in the saddle here

(Testimony of John L. Howard.)

at the time, what I did in the Northwestern in connection with these matters. I had nothing to do with their financial policy. I suggested many other things for example, calling all the product by the name of "Standard" which was in line with their consolidation scheme and such things as that kind. As to the consolidation scheme, Mr. Dingee and Mr. Bachman had it among their intentions to make one Company out of the Standard, the Santa Cruz and the Northwestern, after the Northwestern was built. The Standard Corporation was to be the parent Company.

Q. I will call to your mind the fact that you have testified that you learned sometime in November, 1908, that the shares of stock in the Bellingham Bay and British Columbia Railway which had been purchased by the Northwestern, had left the possession of the Northwestern. I will ask you if you were aware of that fact prior to the fall of 1908?

A. Not prior to the disclosure by one of the statements that came into my hands.

Q. When was that?

A. It was either the Wenzelburger statement, or a statement as I said this morning, that came out of the cement companies office, that was brought about—I think Mr. Young prepared it at the instance of Mr. McEnerney to show the status of the companies' affairs. It was at a time when I was thinking of going to the relief of the two cement companies; that was either in the latter part of October or the beginning of [395—125] November, 1908, just prior to

(Testimony of John L. Howard.)

Mr. Crocker taking over the management. This statement showed the location of the different bonds, where they had been put up for collateral, and one thing and another, and the different debts that were secured by Santa Cruz bonds. I learned at the same time that these Bellingham Bay bonds had been spotted—that is had been deposited as collateral with the American Bridge Company along with some other securities.

Q. That information was not in the Wenzelburger report, was it, that we have been speaking of here?

Mr. DUNNE.—He just testified that it was in that report or the Santa Cruz report.

A. I cannot tell the exact source of my information, but it was about that time.

Mr. OLNEY.—Q. The Wenzelburger report that we have been speaking about, was made in Feb., 1908.

A. I knew of it sooner than that. It was about the time of Dingee's general collapse that I got to know about it, which was in October or November, 1908.

Q. The Wenzelburger report was made in February, 1908, nearly a year previous. Now, I am asking you if you knew at that time, at the time of the Wenzelburger report, anything about the spouting of this stock?

A. I am not sure how I learned that first. I can probably trace it out accurately, but I cannot now from memory unassisted. I constantly carried to Mr. Dingee the complaints which were made by Mr. Evans in regard to the nonprogress of the work. I did not continue to carry those complaints while Mr.

(Testimony of John L. Howard.)

Wenzelburger was making his examination. When we turned Wenzelburger loose, we wanted to find out what the condition of the Companies' affairs as displayed by the books was. While he was at work, I did not think it was worth while to talk with Mr. [396—125a] Dingee very much. Then, after the Wenzelburger report came in, its business was to go to Mr. Evans. Then we learned that he intended to come here to discuss the contents with the rest of us and my recollection is that I refrained from going to Mr. Dingee about it until Mr. Evans came and there would be a consultation. From the time that the Wenzelburger examination commenced until the time of my interview with Mr. Dingee, at which the purchase of these bonds was arranged, I ceased conveying Mr. Evans' complaints to Mr. Dingee. I did not have very much to say. I think I had nothing to say to him on the subject from the time we started this investigation until after Mr. Evans came here.

Q. Did you ever at any time suggest to Mr. Dingee, or to Mr. Bachman, that they personally were either civilly or criminally responsible to the bondholders or stockholders of the Northwestern Portland Cement Company? A. I do not think I did.

Q. At the time of the purchase of the bonds of the Northwestern Portland Cement Company by the Standard Portland Cement Corporation, was anything said by Mr. Dingee as to the plans of the Standard Portland Cement Company relative to the Northwestern?

A. I do not recall that he said anything at that

(Testimony of John L. Howard.)

time, but he and Bachman had frequently spoken of it before.

Mr. DUNNE.—I move to strike out the latter half of the answer, on the ground that it is not responsive to the question.

The MASTER.—The motion is denied.

Mr. DUNNE.—We note an exception.

The WITNESS.—(Continuing.) At the time of the purchase of the bonds by the Standard Portland Cement Corporation, the Standard Portland Cement Company was practically defunct; it had been absorbed by the Standard Portland Cement Corporation sometime [397—126] before.

Q. Mr. Howard, I will ask you, if as a matter of fact, Mr. C. W. Howard did not do most of the law work affecting the title to the 80 acres which you took in your own name.

A. In connection with putting a Placer claim file on in the name of Mr. Hyatt he did all of that kind of work; but the original filing by me was done through Mr. Randolph. On the hearing before the United States land office in Seattle it was conducted by him; the fight in Washington, whatever fight there was, before the Commission of the General Land Office, was conducted by him, and when it came back approved, he handled it and finally I got word that the patent was in the Seattle land office and I attended to that myself. But that part in connection with my getting the title, Randolph did it all. I think his name is Frank Randolph. He is not my counsel in that section of the country. I was simply



(Testimony of John L. Howard.)

referred to him to make this filing. His work ended just as soon as the Commission of the land office decided in my favor.

D. C. Norcross is Secretary of the Western Fuel Company and has been such secretary since the promotion of the company in 1903. D. C. Norcross is the Secretary of the Western Building Material Company and has been such secretary since the promotion of the company in 1906.

Q. I call your attention to "Complainant's Exhibit 2," and to the letter therein by the Standard Portland Cement Company to the Western Fuel Company, dated March 8, 1906, and to the assignment therein dated June 30, 1906, by the Western Fuel Company to the Western Building Material Company of the sales contract between the Western Fuel Company and the Standard Portland Cement Company, and to the consent therein of such assignment by the Standard Portland Cement Company, and ask you what is the explanation of the provision in the letter and assignment [398—127] to the effect that the sales contract may at any time be terminated at the option of the Standard Portland Cement Company in case you yourself should cease at any time to be the chief executive officer of the Western Fuel Company or the Western Building Material Company?

Mr. DUNNE.—We object to the question upon the ground that the question and the evidence or testimony sought to be elicited thereby are immaterial, irrelevant and incompetent, not proper cross-exam-



(Testimony of John L. Howard.)

ination, without foundation in this, that it does not appear that the witness knows, and attempt to vary the terms of a written instrument by patrol evidence.

The MASTER.—The objection is overruled.

Mr. DUNNE.—Exception by the complainant.

A. It happened that on the day when the directors of the two cement companies were to meet to accept these contracts, I mean the Santa Cruz and the Standard companies' directors were to meet, to accept these contracts from the Western Fuel Company—

Mr. OLNEY.—Q. (Intg.) At this point Mr. Howard, permit me to interrupt you and ask you if the sales contract and the papers marked "Complainants' Exhibit No. 3" and the contract being the contract between the Western Fuel Company and the Santa Cruz Company, with the papers attached thereto, the transactions were simultaneous.

A. Yes; and the same provision is, of course, found in the papers relative to the Santa Cruz contract.

Q. Now, will you make your explanation covering both contracts and both exhibits?

Mr. DUNNE.—May it be stipulated that both ruling and exception apply to this whole line of testimony?

Mr. OLNEY.—Yes.

The MASTER.—It may be so considered.

Mr. BROBECK.—And may I inquire whether this is an [399—128] attempt to question the validity or binding force of that qualification of the contract?

(Testimony of John L. Howard.)

Mr. OLNEY.—Not at all.

WITNESS.—(Continuing.) It happened that on the day when these cement companies' directors were to meet to approve and accept these contracts, I lunched with Mr. Dingee, and on the way back from the Pacific Union Club, I called into his office to finish the conversation that we had begun and he told me that the directors were about to meet and notified me to be present. It was the only time I was ever present at any of the meetings of the cement Board. At that meeting there were present Mr. Dingee, Dr. Bachman, Judge Henshaw and Mr. Losh and I think Mr. A. F. Morrison. When the terms of contract were read to my great surprise I found that there had been engendered a very bitter feeling on the part of Mr. Dingee, Dr. Bachman and Judge Henshaw against the vice-president of our company, and there was an immediate insistence on their part to incorporate in the contract a clause in substance very much like the one in these papers. I discussed it with them and tried to prevail upon them not to do it and they then gave me the reason for wanting to do it, and they so far listened to my recommendations as to keep it out of the body of the contract but write a separate and independent letter. I never heard of this thing before that time and did not know until then anything about it.

None of the directors or officers of either the Standard Portland Cement Company, the Standard Portland Cement Corporation, the Santa Cruz Portland Cement Company or the Northwestern Portland

(Testimony of John L. Howard.)

Cement Company ever have been officers or shareholders in the Western Fuel Company. I have never been an officer of the Northwestern Portland Cement Company. I testified that certain bonds of the Northwestern Portland Cement Company were purchased from it by certain friends of mine through [400—129] me; beyond that I had nothing to do with authorizing, creating or incurring the bond indebtedness of the Northwestern Portland Cement Company. The Northwestern Portland Cement Company and the Standard Portland Cement Company and the Standard Portland Cement Corporation were independent corporations; they were distinct corporations. The parties managing them were the same, but there must necessarily have been different owners, that is, some in one company might not have been in another; they had different sets of stockholders. I learned through the report of an accountant who was put on the books what became of the moneys which were realized from the proceeds of the bond issue of the Northwestern Portland Cement Company, and only in that way; I refer now to Mr. Wenzelburger's report and that is the first source of information that I had as to where those moneys went. After that I did not get any further information from any of the parties to this suit as to where this money went. I testified yesterday that the first information I had as to the diversion of Northwestern funds from the purposes of that company were derived from the Wenzelburger report, and that after that I had conversations with Mr. Din-

(Testimony of John L. Howard.)

gee about this diversion of funds; I had those conversations with Mr. Dingee in the latter part of the year 1908. I did not have any conversation with Mr. Dingee relative to the diversion of Northwestern funds up to and including the time of the purchase of the bonds of the Northwestern Portland Cement Company by the Standard Portland Cement Corporation in May, 1908. I had nothing whatever to do with the diversion of the funds of the Northwestern Portland Cement Company. I got a statement purporting to represent the condition of the Santa Cruz Portland Cement Company dated October 29, 1908. The information I then had was that it had been prepared under the supervision of Mr. Young and at the instance of Mr. McEnerney. At that time I was figuring on going to the relief of [401—130] the cement companies and this statement was given me for the purpose of acquainting me with the extent and character of the indebtedness and while tabulating that indebtedness I ran across the fact that the shares of the Bellingham Bay and British Columbia Railroad had been put up as collateral, among other things for debts due the American Bridge Company—debts due by the Santa Cruz Portland Cement Company to the American Bridge Company. This is now my positive recollection as to my first information that the shares of the Bellingham Bay and British Columbia Rd. Company belonging to the Northwestern Portland Cement Company had been diverted to other uses and it was after the receipt of this report that I talked at all with Mr. Din-

(Testimony of John L. Howard.)

gee about the diversion of funds. The trial balance of the Northwestern Portland Cement Company, attached to the Wenzelburger report shows the investment in these shares but not that they had been diverted from the Northwestern in any way. I knew that Mr. Dingee intended to purchase these shares at the time of their purchase, and at the time he was doing it I knew it—I refer now to the Cornwall interest, and until I saw the report of accounts of the Santa Cruz Portland Cement Company in November, 1908, I supposed that these shares were still in the treasury of the Northwestern Portland Cement Company, and I was quite astonished to find what had been done with them. I testified either in my deposition or upon direct examination here that I had been informed that the shares had been pledged for the notes of the Atlantic Portland Cement Company but that was a temporary mistake. I knew it was the Santa Cruz by this statement which has refreshed my memory, and which was the source of my information. It is represented on this statement that the stock of the Bellingham Bay and British Columbia Railroad was pledged by Mr. Dingee for the obligations of the Santa Cruz Portland Cement Company alone, and that is all the knowledge I had at that time. I took up with Mr. Dingee the [402—  
[131] discussion of the diversion of this stock, I was astonished to find that it could be pledged as collateral, it belonging to the Northwestern Portland Cement Company, and I learned that the stock had been issued in his name, either William J. Dingee, or



(Testimony of John L. Howard.)

William J. Dingee, trustee, and I wanted to find out why it was done, and he told me it was done in the presence of Mr. Young, and Mr. McEnerney and Dr. Bachman, and a Mr. Connell who was the representative of the Bridge Company. That was the explanation I got. I did not know at that time that this stock was also pledged for the obligations of the Atlantic Portland Cement Company to the American Bridge Company. I don't think I know that it was pledged for the Atlantic. I know there is a \$182,000 debt and \$300,000 of Atlantic bonds are up and 4,000 shares of Standard stock and this Bellingham Bay and British Columbia Railway stock. I did not go far enough into the transactions at that time to be shown by Mr. Dingee the instrument under which that stock was pledged. I never saw the pledge agreement and did not know anything about it. I was not familiar with the adjustment of Dingee's difficulties at the time of his collapse. This \$182,000 debt that I spoke of, I heard discussed, but I am not sure whether it is Atlantic or Santa Cruz. What I meant to convey was that the first information I had that these shares were spouted appeared to be on this statement of the Santa Cruz indebtedness; this expression "spouted" is equivalent in the expression pledged. The Western Fuel Company or the Western Building Material company at my instance purchased 19 bonds of the Northwestern Portland Cement Company at the time of the purchase by Dingee of the Cornwall interest in the Bellingham Bay Railroad, and I did that for the purpose of making up



(Testimony of John L. Howard.)

the amount which Mr. Dingee required, to purchase that stock; he said that he was short about that amount, and we gave it and took the bonds; thereupon I knew that Dingee had acquired, or the Northwestern Portland [403—131] had acquired that stock with this money; and I became the vice-president of the Bellingham Bay Railway in virtue of Dingee's or the Northwestern's ownership of that stock. I do not remember now how long afterwards I became such vice-president. I am not the vice-president of the Bellingham Bay Ry. now. I did not resign. I was not re-elected. The unfortunate meeting which eliminated me from the Board of Directors was in the beginning of 1910; I think it was the annual meeting; I think I was not there for about a year. I had no stock myself in the Bellingham Bay and British Columbia Ry. There was some stock put in my name to qualify me by Mr. Dingee. At the time I was considering the assets of the Northwestern Portland Cement Company in order to advise and act for Mr. Evans in the determination as to whether they should continue to retain these bonds or not, or whether they should insist upon these bonds being taken up by some other and as I regard it more responsible party; I had not then learned that the Bellingham Bay stock had been pledged at the instance of Mr. Campbell to secure the indebtedness of the Santa Cruz and of the Atlantic Portland Cement Companies to the American Bridge Company. I learned it here; as to whether I did not learn that this pledge had been made in conversations

(Testimony of John L. Howard.)

with Mr. Young prior to that time, and at the time of the reapproachment of all these matters, my recollection is that my first knowledge came to me from this statement, and this statement was furnished through Mr. Smith by Mr. McEnerney from the cement companies' office in order to let me study the situation to see whether I would feel justified in enlisting my friends to go to the relief of the cement companies; and in tabulating this indebtedness I came to know, as I remember it, for the first time, that these shares had been pledged for the debts of the cement companies other than the Northwestern.

Mr. BROBECK.—Q. Now, let me recall another circumstance [404—132] to your memory; you will recall that in the month of December, 1907, when Evans and his people were beginning to get nervous about their securities, and were beginning to hammer you and Mr. Dingee on the point that they were not having the plant built and so on that you wrote them telling them at that time that you anticipated that the Bellingham Bay Ry. would be disposed of and that it would be possible to realize something on their bonds from the disposition of that stock; do you recall that?

The WITNESS.—You mentioned Mr. Campbell's name; Mr. J. C. Campbell, I did not know anything about his connection with the Bridge Company, This letter which you show me, written on the letterhead of the Western Building Material Company under date of December 26, 1907, addressed by me to

(Testimony of John L. Howard.)

Ernest E. Evans at Vancouver, appearing at page 227 of my deposition, is not very long. (Reading:)

“I have your letter of the 20th of December, enclosing Copy of yours to Dingee.”

That was at the time that Mr. Evans was trying to get some information.

Mr. BROBECK.—Q. As I suggested, about the time he began to hammer you and Mr. Dingee about his securities.

A. (Reading:)

“My relations to him are purely those of business and no more intimate than can exist between the heads of two concerns with large constant transactions. I have seen him only in a month”—

that means once a month I guess. (Continuing reading:)

“Dr. Bachman assured me that they had arrangements for financing the Northwestern Portland Cement Company, and at that time they were so strong as to entitle their statements to credence. Beyond their statement there could have been no other proof than to see the books and the transactions completed. What I have in mind is this, that I learned very confidentially that negotiations were under way for the sale of the Bellingham Bay and British Columbia Rd. and in the event that it goes through I shall urge them to apply their part of the proceeds to the purchase of the Northwestern Port-

(Testimony of John L. Howard.)

land Cement Company's bonds, especially those which passed through my hands. In this way there would be [405—133] no loss for you to stand such as you intimate.

Yours very truly,

JOHN L. HOWARD."

Q. That letter recalls to your mind, does it, the fact that you were considering the possibility of these bonds being sold and some payment at least being made on account of the redemption of bonds which you had placed?

A. If you will let me explain the letter, I will.

Q. Yes.

A. Mr. Evans had become nervous over getting no information from Mr. Dingee, no replies to his letters; when I refer to confidential information, it meant that either from Mr. Taylor or Mr. Dingee I learned that negotiations were under way for the sale of the Bellingham Bay and British Columbia Railroad. Now, then the Northwestern Portland Cement Company, owning a lot of that stock, of course, get its proportion of the proceeds of this sale, *would*, and I intended to go to Mr. Dingee and tell him in case that it had gone through, to take up these bonds that had gone through my hands and that Mr. Evans was writing about. That is practically what the letter says.

Q. Now, having in mind the possibility that the anxiety of your friends would be relieved—

A. (Intg.) It was Mr. Evans.

Q. (Continuing.)—through the sale of these shares

(Testimony of John L. Howard.)

of that stock, and having had—

Mr. OLNEY.—(Intg.) It was not a sale of the shares, it is a sale of the railroad.

Mr. BROBECK.—Well, the same result would work out. He refers to the sale—I don't know whether he refers to the sale of the railroad or the shares.

The WITNESS.—The railroad.

Mr. BROBECK.—Well, it is immaterial. (Continuing) —and having attached that importance to the possession by this cement [406—134] company of these shares of stock and having placed reliance evidently upon a realization upon those shares of stock in order to help you and Mr. Dingee to meet the demands of these gentlemen who thought they had been buncoed in taking these bonds, you still tell us, do you, Mr. Howard, that these shares, pledged—went out of the possession of that company and were with the American Bridge Company, without any knowledge on your part of that transaction?

A. I did not know anything about the pledging of the Bellingham Bay and British Columbia Railroad shares until this statement came into my hands; that was in November, 1908.

Q. Yesterday, under examination by Mr. Olney, you testified, after having it suggested by him, that it was in November, 1908, that you had knowledge of the pledging of this stock, the question being: “Q. I will recall to your mind the fact that you have testified that you learned some time in November, 1908,



(Testimony of John L. Howard.)

the shares of stock in the Bellingham Bay and British Columbia Ry. which had been purchased by the Northwestern had left the possession of the Northwestern; I will ask you if you were aware of that fact prior to February, 1908? A. Not prior to the disclosure by one of the statements that came into my hands. Q. When was that? A. It was either the Wenzelburger statement or a statement, as I said this morning, that came out of the cement companies office which was brought about—I think Mr. Young prepared it at the instance of Mr. McEnerney to show the status of the companies' affairs. It was at a time when I was thinking of going to the relief of the two cement companies. Q. When was that, at what time? A. That was either in the latter part of October or the beginning of November, 1908, just prior to Mr. Crocker's taking over the management. This statement showed the location of the different bonds, where they had been put up for collateral, and one thing and the different debts which were secured by the Santa Cruz bonds. [407—135] I learned at the same time that these Bellingham Bay bonds had been spouted, that is, had been deposited as collateral with the American Bridge Company along with some other securities. Q. That information was not in the Wenzelburger report, was it, that we have been speaking of? Mr. Dunne: He testified that it was either in that report or the Santa Cruz. A. I cannot tell the exact source of my information but it was about that time. Mr. Olney: Q. The Wenzelburger report that we have been speaking about



(Testimony of John L. Howard.)

was made in February, 1908. A. I knew of it sooner than that. It was about the time of Dingee's general collapse that I got to know about it which was in October or November, 1908. Q. The Wenzelburger report was made in February, 1908, nearly a year previous. Now, I am asking you if you knew at that time, at the time of the Wenzelburger report, anything about the spouting of this stock. I was not sure how I learned that first. I can probably trace it out accurately but I cannot now from memory unassisted. Q. I will ask you if you can between now and the next session look that up." Do you remember that statement yesterday? A. Yes, I do.

Q. Now, it appeared at that time that you were in doubt whether you learned of that at the time of the Wenzelburger report or whether you learned of it later?

Mr. OLNEY.—I object to that upon the ground that it assumes something that is not the case.

Mr. BROBECK.—I submit, if your Honor please, after being twice told by his counsel that he learned it in October, 1908, the witness still persisted in the doubt that he had learned it at the time of the Wenzelburger report.

The MASTER.—The objection is sustained.

Mr. BROBECK.—We note an exception.

Mr. OLNEY.—Q. Mr. Howard how many interviews did you [408—136] have with Mr. Dingee in the matter of the purchase of the stock and bonds of the Northwestern Portland Cement Company by the Standard Portland Cement Corporation?

(Testimony of John L. Howard.)

A. Two. The second interview was, I think, during the same half day with the first interview. The first interview lasted a few minutes—I should say 5 or 10 minutes, perhaps; I don't think it was over 10, probably not that long. The second interview lasted a short while, a few minutes, about the same—5 or 10 minutes.

### Redirect Examination.

In my examination yesterday I made a statement that I was thinking of going to the relief of the two cement companies, the Standard and the Santa Cruz. They were heavily in debt, and I was trying to ascertain their financial condition to see whether with the prospects ahead there was a justification in raising capital to relieve their indebtedness and take over the management from Mr. Dingee. I had an interview with Mr. Crocker about it. I told him what I was trying to do and of the people who were thinking of going in with me and asked him what his attitude would be. He said he wanted his money. *He said he wanted his money.* I didn't feel like taking the first step unless I knew the actual financial condition of the concern, and I didn't think the statements that I had justified taking the first step because I thought that meant going through with it and I didn't have the time to have a critical examination made of the companies' affairs, and so I dropped it.

Q. The depressed financial condition of these two corporations at that time, in the fall of 1908, was not a matter of sudden growth, was it, but it had reached back into the past history of these corpora-

(Testimony of John L. Howard.)

tions for some time, had it not? A. In the case of the Santa Cruz it was largely due to over expansion and largely due to [409—137] the inferior quality of the cement they furnished. And this over-expansion, this enlarging of the Santa Cruz plant, was [410—137a] one of the consequences of the disaster of 1906. The first discussion that was had was to increase it 50%, and Dr. Bachman went east, and I was told, arranged for the machinery to double the capacity. This instance occurred in the year 1906, I think, the resolution was taken then, but the expenditures were made during the year 1907, and then the financial stringency came in 1907, and they began to make cement in 1907 and it was not acceptable for about a year, which would carry us along until the summer of 1908. From anything I knew I did not think the Standard Portland Cement Corporation was in very bad shape; they had reduced their indebtedness, as I was informed by Mr. Dingee, from \$500,000, which was the original bonded indebtedness, to something like \$271,000. They had been running regularly and steadily and their cement was, generally speaking, excepting at some intervals, satisfactory and they made a good deal of money. I had no information as to the floating indebtedness of the Standard Portland about that time, until I got these statements which I received in line with my general purpose of going to the assistance of these two corporations, which general purpose was subsequently dropped by me.

With reference to that debt of \$182,000 which I

(Testimony of John L. Howard.)

referred to a moment ago, just let me set the whole thing right, Mr. Dunne: what I wanted to tell you was that my information as to the fact of the placing of the Bellingham Bay and British Columbia Rd. shares was gotten from this statement that came into my hands during the investigation I have spoken of. I had forgotten all about the details connected with that, but in connection with some discussions about the Atlantic Portland Cement Company in which I am interested—I have some of the bonds—I learned that there is a debt due the American Bridge Company of \$182,000 plus interest, and for that debt there are pledged 300 Atlantic bonds and 4,000 shares of Standard stock. And the shares of the [411—138] Bellingham Bay and British Columbia Rd: I am told that they are these three bunches of collateral upon that debt. These discussions at which I got that information as to which I have just testified were all subsequent to the receipt by me of this Standard and this Santa Cruz statement—within the last year or two while I have been in New York. I received a statement showing the condition of the Standard Portland Cement Corporation at the same time I received this. I think I have that down in the pigeon-hole and if you want it I will bring it. I will send it out this afternoon by Mr. Norcross.

**[Testimony of Frederick Davis, for Complainant.]**

Thereupon Mr. FREDERICK DAVIS was called as a witness on behalf of the complainant, and after having been first duly sworn, testified as follows, to wit:

**Direct Examination.**

I am a civil engineer and have been such since 1893. I have practiced my profession in New York City, Central America, California, State of Washington and also in Washington, D. C. I know the place called Kendall, in Whatcom County, in the State of Washington. I was there for about 18 months. I went there in April, 1907, and I left there in September, 1908. I was engineer there for the Northwestern Portland Cement Company. I am familiar with the property owned or claimed to have been owned or controlled by the Northwestern Portland Cement Company at Kendall, in Whatcom County, in the State of Washington; and this blueprint which you exhibit to me is an accurate blueprint of the properties with which we are concerned here. These photographs which you exhibit to me are accurate photographs of the properties there; they were taken after we had been working just about a year; they were taken in the early part or middle of the year 1908.

Thereupon said photographs, three in number, were received in evidence in this cause without objection, and were marked by the Master as Complainant's Exhibits 8-9 and 10, respectively. **[412—139]**

The WITNESS.—(Continuing.) Included in the



(Testimony of Frederick Davis.)

properties there were 13 quarter sections each containing 40 acres; and these 13 quarter sections of 40 acres each represent the total of properties of the Northwestern Portland Cement Company at Kendall, Whatcom County, Washington. As one stood and looked at the country there, it was flat all except the four upper sections which were located on the side of the hill, and that hill extended up about 1200 feet, and about 1000 feet was hilly and rocky. There was a valley there. The flat sections were in the valley. The valley was about a mile and a half wide, and it arose in hills on the other side also. Four of these quarter sections were up on the side of the hill, about 1200 feet—the four that they called the Reidle claims, which were 20 acre claims in the southwest quarter of section 23, named Mt. Baker, Mt. Olympia, Mt. Rainier and Mt. Hood, each of these claims were 20 acres. Below these claims, coming down the hill toward the flat, toward the place marked Zender, there are 4 claims belonging to Mr. John L. Howard, the area of each of which is 20 acres.

As to the amount of development work upon the claim marked "Mt. Olympia," we cleared a certain amount of it around these exposed ledges, we cleared the timber land off. The amount of clearing that was done on the Mt. Olympia claim, expressed in acres, was  $4\frac{1}{2}$  acres. The amount of development work or clearing done on the Mt. Baker claim was 4.73 acres; on the Mt. Hood claim .83 of an acre; and on the Mt. Rainier claim 1.99 acres. The total amount of clearing that was done in the way of de-



(Testimony of Frederick Davis.)

veloping those claims, adds up 12.14 acres.

These claims, which were some 1,200 feet up from the level, were absolutely worthless for agricultural purposes; it was too high to get up there and too steep, and the soil was rocky; there [413—140] was no soil you could cultivate anything on. The next 80 acres which I have referred to as being the Howard claim were likewise steep in the same way, and all rocky land, covered with timber, and worthless for cultivation of any kind. As to the development work done in these four claims which I describe here as the Howard claims, there was a little shack built on Howard claim No. 2, counting from the left side as you face the Reidle claim, and a man was living there, but there was no other evidence of development upon those claims.

Coming down from these claims to the lower portion where the cement plant of the Northwestern Portland Cement Company was to be installed, we cleared about 60 acres, and about 40 of these acres were grubbed. By "clearing" we mean slashing, felling the trees and piling them up, while "grubbing" is pulling up the stumps and clearing everything off absolutely clean. The total amount of development work there was that 60 acres were cleared and only 40 were grubbed. Taking the entire tract of land of the Northwestern Portland Cement Company, its general characteristics, looking at it from the point of view of agriculture, were very poor. The 40 acres that we grubbed were nothing but a mass of rocks when we got through with it. abso-

(Testimony of Frederick Davis.)

lutely no top soil on it at all. In the course of my duties up there, I had occasion to go over the other portions of the properties of the Northwestern Portland Cement Company, and I found that there were places that were so that you could cultivate them. These places included 1-40 acre piece, the piece marked "Zender" grass-land, and when I came there that was pasture land; there was another little piece available for cultivation including 20 acres, and also the first 40-acre piece that the spur track passes through after leaving the main line of the railroad might be utilized for cultivation, although that was rather sandy soil, sandy and full of small roots, but yet it [414—141] might be used for a pasture. When I reached there the only cultivation carried on by anybody on this property was in this Zender farm. Zender had a pasture there and I think he had perhaps 25 or 30 cows—by this pasture land I mean the 40 acres marked "Zender Grass Land," and also the 20-acre patch in the portion marked "Zender"—around the lake there, I should imagine that he had about 60 acres that he could use for grazing. The only other cultivation visible by Zender at that place was a little potato patch and perhaps 30 or 40 fruit trees, peaches, prunes and apples. As to whether, aside from this cultivation that I mentioned, I observed any cultivation anywhere else on the tract, the man in the little cabin on the Howard claim had a little potato patch, perhaps 20 ft. by 30 ft. That is about all the cultivation that I remember.

(Testimony of Frederick Davis.)

Q. Where, if you know, did Zender, the farmer on these premises, secure the hay for his cattle?

Mr. OLNEY.—I object to that. It is immaterial.

Mr. DUNNE.—We think it is a circumstance illustrating the magnificent agricultural value of the valley if we can show that he could not raise hay for his own cattle but had to go abroad to buy it.

The MASTER.—The objection is overruled.

A. He used to buy it in Bellingham. When I went there to take charge of this property I employed labor. Most of these laborers were the farmers of the district there. We paid them \$5.00 a day for driving a team; \$5 or \$6, I am not sure which.

Q. And during those times their farms, of course, were neglected, were they?

A. They made more money teaming than they did on their farms. In the winter the sun would rise there about 7 to half-past seven, and it commenced to get dark between half-past 3 and 4; and there were four or five months in the year that way.

I found lime deposits on this property on the upper [415—142] claims; that is, two of the upper Reidle claims, Mt. Baker and Mt. Olympia, and two claims just below that belonging to Mr. Howard—the first and the second Howard claims. Aside from these lime deposits, I did not find any lime deposits anywhere else on this territory.

Q. Now, let me ask you whether you performed any experimental work up there for the purpose of determining the extent of the lime deposits which were visible.

(Testimony of Frederick Davis.)

A. We had to spend \$500 in assessment work on each of these claims in order to complete the assessment work, and that amount of money was spent in clearing and trying to find out what was on those claims. That is all that was spent there, \$500 on each 20 acre claim. If I were endeavoring to ascertain whether that was a mere surface indication, or whether that alleged lime deposit had any depth or spread to it, I would perform experimental work to assist in determining that question. I would put tunnels in, and I would do diamond drilling there. I did not do any diamond drilling there at all. Such exploration work was one on the opposite of the valley on the lands belonging to Balfour Guthrie & Company; for the purpose of determining the character and extent of their lime deposits, they put down several diamond drill holes, I could not say how many, and they also drafted a tunnel into the rock—I think it was about 150 feet long. There is a difference in this matter of lime development for cement purposes between what is known as a drill hole and what is known as a test hole; a drill hole is when you drill down, and a test hole is when you dig with pick and shovel. We dig a test hole with pick and shovel as deep as we can. Of course we could not dig 150 feet with a pick and shovel. With a machine or a diamond drill, or something of that kind you can go down 150 or 200 feet. That is what Balfour, Guthrie & Co. did, but no such experimental work as that was done on the premises [416—143] of the Northwestern Portland Cement Company, to my

(Testimony of Frederick Davis.)

knowledge, and I was the supervising engineer there.

Q. Taking into consideration, then, your knowledge of the property itself and your observation of these lime deposits there, could you form any judgment at that time as to the extent or capacity of those lime deposits?

A. No, I could not form an estimate as to how much rock was there; the character of the ground showed outcroppings on perhaps 60 acres, but how far that rock went down I could not say.

I have had experience in the manufacture of cement for about three years, and I am familiar with the methods of making cement and its component parts. I am employed as assistant superintendent of the Santa Cruz Portland Cement Company and have practically full charge of the running of that plant. I have engaged in the cement business just since I left the Northwestern. At the time I was up at the Northwestern, I had had no previous experience in the cement business. I came out as constructing engineer for the Northwestern Company, to put up the plant. My experience has been along the line of a constructing engineer, which was my profession up to that time. While I am not a chemist, I am acquainted in a general way with the constituent elements of cement, although I was not at the time I came out for the Northwestern. Bearing in mind my familiarity with the property of the Northwestern Portland Cement Company at Kendall, and my observation and knowledge of the lime deposits there, in my judgment, the deposits there



(Testimony of Frederick Davis.)

were not of a character to authorize the erection of a plant of any particular capacity without further exploration, but no further exploration was made. I know how large a plant was to be erected there; the plant to be erected there was to be practically a duplicate of the Santa Cruz Portland Cement Co. which would be a 5,000 barrel per day plant with what they call an [417—144] extension adequate to 10,000 barrels per day. We intended to put up half of the unit first, so as to manufacture 5,000, and then double the capacity to 10,000. I mean that it was to be a plant built in such a way that it would be a 5,000 barrel per day plant in immediate contemplation with the possibility of doubling it afterwards. Each building had what they called an extension, and you could just double it over and make it twice as large. If you look at this building here, that is the building that would go up. This dotted line is what they call the extension and this is the extension. When all of those would be filled in it would be a 10,000 barrel per day plant. As to how long it would take to make an adequate exploration and examination of the lime deposits that were on that estate, I should not think you could do it in under 6 months; it was not possible to do such a thing as that in 24 hours.

As to what actual work really was done on these premises I cleared 60 acres and grubbed about 40 acres. That 40 acres was where the plant was to be. I graded about a mile of land for the spur. For this spur track we cleared a place 100 feet wide, I think



(Testimony of Frederick Davis.)

it was, and cut the ties for the track and laid the track—5,000 feet of track, which was paid for to the Bellingham Bay road. We also established a camp of 15 or 20 tents with board floors and board sides. We had two eating-houses of rough lumber. Everything was of rough lumber. Each of these eating-houses would take care of about thirty men. We built an office 8x15 or 20, or 10x15—something of that kind—which was of rough lumber. We built a store-room of rough lumber which was about the same size as the office. We built a blacksmith-shop out of logs; this shop was about 20x40 or something of that kind. We built a carpenter-shop 25x40, of rough lumber also.

Q. Do you know of anything else that was done on those premises except what you have described? [418—145]

A. We just started grading. I guess we worked about a week with the scraper grading for what we call the klinkler tunnels. That is what is shown in that picture that you exhibit to me, that is all the work that was done. At the time that I left there was no development work going on—nothing at all; the operations had ceased. All operations ceased on this 5,000 barrel per day plant in August or September, 1908.

Mr. OLNEY.—He is mistaken about that, Mr. Dunne; you had better straighten him out.

Mr. DUNNE.—Q. When did you get there, Mr. Davis?

A. I think I arrived in Bellingham on the first of

(Testimony of Frederick Davis.)

April, 1907.

Q. When did you leave New York?

A. I left New York in February, 1907. I kept a record of my expenditures there. The total amount of expenditures for all purposes made there was a trifle over \$41,000, of which \$22,000 was the pay-roll for labor and the balance was supplies.

Q. I will exhibit to you this letter, Mr. Davis, which is dated at Kendall, Washington, November 22, 1907, and ask you to look at it and to state if that does not assist you in fixing the time when all work ceased on the plant or property, rather, of the Northwestern Portland Cement Company.

A. Practically all work on the plant site was finished on this date.

Q. Which would be November 22, 1907.

A. Yes, sir, and then they held me there until September of the following year and during that year I did assessment work on the upper Reidle claims.

Q. But aside from doing that assessment work all development work on the plant proper ceased on November 22d, 1907?     A. Yes, sir.

Mr. OLNEY.—Before the Court adjourns I have been looking [419—146] into the authorities involved in the objection to the question which I asked Mr. Evans as to whether or not he had at the time of the sale to the Standard formed any idea of the value of the assets of the Northwestern Portland Cement Company. I would refer your Honor to section 167 of Jones on evidence.

The MASTER.—I will rule on that matter at this time. I had intended to do so at the end of Mr. How-

ard's testimony. I have gone beyond the authorities which you quote, Mr. Olney, although they seem to be sufficient. I find that the opinion that I expressed, which was in accordance with Mr. Dunne's opinion, has support in only one jurisdiction, that of Alabama,—I am constrained to believe, therefore, that our views did not express the law. I have also considered the other points noted in the objections and the motions to strike out, that is to say, in the deposition of Mr. Evans as read on page 103 and following and in the proceeds here in Vol. 2 of the reporter's transcript, page 64; the ruling of that page and subsequent rulings were also reserved. The objection in each case will be overruled and the motion to strike out will be denied.

Mr. DUNNE.—To all of which we respectfully note an exception.

Mr. BROBECK.—Now, I understand that these rulings are made on the assumption that the order of reference is of such character in this case as to require your Honor to rule finally to the exclusion of testimony on the point as to whether testimony shall be received at all or not.

The MASTER.—They are made in connection with it. They are made on the points of law involved in the objections and motion to strike out. I have already indicated to you, Mr. Brobeck, by denying your motion to instruct the witness to answer that under the order of reference in this matter, the equity practice—which you expressed very well yesterday—will not be [420—147] followed at any stage. It is also made in view of the fact that under Mr.

Olney's stipulation the evidence embodied in Mr. Evans' answers which were the subject of the ruling were not offered or received for the purpose of determining the value of the assets of the Northwestern Portland Cement Company, but only as to his mental condition.

Mr. BROBECK.—If your Honor please, Mr. Olney and I have agreed as to the scope of the reference. I want to say in explanation of that matter, if your Honor please, that as the record appears in the Circuit Court, some years ago—I think we may say some years ago—the action of Evans vs. the Standard Portland Cement Company, Dingee and Bachman, was commenced. That was an action having for its purpose the enforcement, on the law side of the Circuit Court, the obligations which are claimed to have arisen as a result of the giving by the Standard Portland Cement Corporation these notes. That action pended for a number of months, and also, I may say, years. There was interposed to it practically the same equitable defenses which are interposed here now. On further investigation, however, it was discovered that on the law side of the Circuit Court an equitable defense could not be made available. That necessitated the institution of another action in which the Standard Portland Cement Corporation was plaintiff and, reversing the parties, makes Mr. Evans or his firm, defendants, and which has for its purpose, as your Honor is well aware, the procurement from the court of an order annulling the notes referred to and forever restraining the prosecution of the law action. Now, while the law action was pending, and

before the equitable action was commenced, an agreement was reached between counsel as the result of which we desired to refer the law action to your Honor for consideration and the taking of the testimony, and at that time [421—148] an order substantially in the form of the order which you now have before you was drawn. Thereafter the equity proceeding was commenced. When it came to the adoption of a form of reference the old form of order was adopted by both parties, although I think it may be candidly said that it was the purpose of neither party to deny your Honor the permission to receive all of the testimony and to permit the Circuit Court to review all of the testimony which might be offered, as is the practice in equity before your Honor under the general form of reference. Now, that being true, Mr. Olney and I have, I think I may say, agreed, that the proceeding here, so far as the equity action is concerned, may proceed as under a general form of reference, and while we invite and desire your Honor's rulings on the admissibility of testimony as we go along, we still desire that the entire testimony should be received into the record, as is the ordinary practice, and that it should be certified, as is the practice, for review by the Circuit Court when the time comes; and, if necessary to the accomplishment of that purpose, Mr. Olney representing the defendants in the equity action and the plaintiffs in the law action, is prepared to stipulate with counsel for the opposing parties that such shall be the rule of practice controlling the further hearing of this cause.

Mr. OLNEY.—I would say that I think your



Honor's ruling is perfectly correct, but counsel seem to think that it was not what they expected under the stipulation. The stipulation had been very amicably arranged between us, and inasmuch as they did not expect it under the stipulation, I did not fear that I could well afford to take advantage of it, particularly in view of the fact that I do not consider it makes very much difference. But the understanding of the stipulation now, or the arrangement that Mr. Brodbeck desires to make now—it is an arrangement that I am [422—148a] willing to make—is that whenever a piece of evidence is objected to and the objection is sustained, the evidence shall nevertheless be taken and subject to the objection shall appear in the transcript of the evidence in the manner that is usual in equity cases.

Mr. BROBECK.—Yes, that is right.

The MASTER.—That is to say, the particular clause of the order of reference which, of course, as you understand, is the chart of my authority in these matters, to which the stipulation is addressed is this: “That the trial of said causes before said Referee, and the taking and hearing of evidence therein be in the manner and subject to the rules of practice governing the trial in the above-entitled court of actions at law tried by the court without a jury.” In effect, the stipulation is that instead of the words “actions at law,” etc., you would substitute the words “suits in equity.”

Mr. OLNEY.—No, your Honor, I am not willing to go that far. The stipulation was made up in this way, neither Mr. Brobeck nor myself knew very



much about the equity practice and we designed to try this case practically as it would be tried in the State courts, with which practice we are somewhat acquainted. The stipulation was drawn up on that line. My intention is, if the Court please, to continue with that idea, with the single exception that when a question is asked or evidence is offered and objection is made to it and sustained, the testimony of the evidence may nevertheless be put in the record, so that the ruling can appear clear to the court above if it considers it relevant.

The MASTER.—I confess I do not understand the distinction that is drawn. Perhaps I had better explain my understanding of the equity practice in that matter. The parties must understand that the practice I speak of is not peculiar to the Master's office. It prevails, and properly prevails, in case the matter is tried before the [423—148b] Circuit Court in the infrequent cases where equity proceedings are so tried in open court. That practice is this: that to avoid the possibility of new trials a full record shall go up, and in the event of an objection being sustained an answer shall be taken. That is the general rule. The ruling is made and the Master directs the answer. There are, however, at least two exceptions to that which are more or less well defined: one is in case a question of privileges is involved, the other is where an objection is made and the matter is ruled on, and is, in the mind of the Master, obviously proper. In other words, it is quite possible that an objection will be sustained, and I would refuse to direct the witness to answer; neither does it

interfere with such rules of exclusion of evidence as may properly be said to be directed at the Court's control of the order of presentation; say, for example, it may be a question of not proper cross-examination. Other instances might be cited. There is some little latitude allowed there. I state that to you to show that even under the parties' stipulation I am not going to listen to anything that you want to put in that I do not think is proper. Naturally, of course, when reputable counsel offer a matter that they deem is material to the case, and of course they know more about the case than the Court does, it is not likely that it would be ruled out. Then, too, it may be a question of the proper course of the examination; it may be a matter that has already been gone into. But with those restrictions, and bearing in mind the fact that the rules of evidence in equity are the same as the rules of evidence in law, I do not see but that it amounts to just what I offered in the beginning.

MR. BROBECK.—I think that is true. I do not think there is any difference between us on that.

MR. OLNEY.—The only thing I was guarding against is this: the stipulation [424—148c] covers the whole procedure before your Honor—not merely the taking of evidence. If there was any difference in the general procedure between an equity case and the trial of a case that was merely an action at law, I don't want the stipulation to cover that.

THE MASTER.—I do not understand there are any. The Master simply directs the order of proof and determines the order of proof in such manner as

he desires. After all, that is simply the trial of a case at common law. When you come to the question of order of proof you may reopen on rebuttal, although you may not do it if the jury were present, and so on. Well, if that is the desire of the parties I presume that on the stipulation of the parties I may proceed outside the order of reference, and in any such matter as that I will direct the answer to be given.

Mr. OLNEY.—All is the stipulation that I desired to make.

The MASTER.—All right. With reference to the letter of Mr. C. W. Howard, which was excluded at a prior hearing, I understand from the informal discussion we have had that the exception to the exclusion of that letter is waived?

Mr. DUNNE.—Yes, your Honor.

Mr. OLNEY.—And also, there was a certain question asked Mr. Evans, when he was on the stand, as to how many times he had visited Kendall. That question was objected to and the objection was sustained, and an exception noted.

Mr. BROBECK.—Oh, well, that amply appeared from Mr. Howard's testimony that he was up there twice.

Mr. DUNNE.—I think it appeared by his own testimony in the deposition that he was up there twice.

Mr. OLNEY.—Well, if you have the idea that he specified or stated that he was there twice, you are wholly mistaken; that is not the fact. [425—148d]

Mr. DUNNE.—That is my understanding. Well, how frequently was he there?

(Testimony of Ernest E. Evans.)

Mr. OLNEY.—Ask him.

Mr. DUNNE.—Q. How often were you there, Mr. Evans?

Mr. EVANS.—I have been there seven or eight times.

Mr. BROBECK.—Q. You mean to the property at Kendall?

Mr. EVANS.—Yes; on this particular property three times. Of course I was up there first in 1899, when we first took up the Balfour property.

Mr. DUNNE.—Q. That was the property on the other side of the valley?

A. Yes. I was up there four times on that property, and three times on this.

Mr. DUNNE.—Well, that is sufficient.

**[Testimony of Ernest E. Evans, for Complainant  
(Recalled).]**

The WITNESS.—(Continuing.) As one leaves the flat, so to speak where the projected plant was to be placed and goes up the hill toward the Reidle claims, one must go up that hill about 600 feet before he meets the first of these lime deposits,—that is, 600 feet above the lake, and the flat is about 2 or 3 feet above the lake. I had machinery and tools on the premises—a donkey-engine, scrapers, picks and shovels, engineer's instruments, wheel-barrows and things of that nature, and blacksmith supplies. The scrapers were wheel-scrapers for grading, they used teams in grading the land. Those materials and tools were all shipped to the Santa Cruz Portland

(Testimony of Ernest E. Evans.)

Cement Company at the direction of Mr. Dingee—everything that was left on the job was shipped down, in Aug., 1908. I left there in the last part of August or in Sept., as soon as I shipped all that stuff I left. This waybill of the Bellingham Bay and British Columbia Ry. shows that this carload of material, one carload of lumber was shipped down on August 25, 1908, to Santa Cruz. This next way-bill on the same railroad line shows that these sawed railroad ties were shipped through on August 15, 1908. This carload of lumber on the next way-bill was shipped on August 15th, 1908; this next way-bill shows a carload of lumber shipped there on August 18, 1908, and the next shows another carload of lumber on August 25, 1908, and the next shows another carload of lumber August 17, 1908. The next way-bill shows that on August 8th [426—148e] 1908, a carload of contractor's tools, carts and pipe, etc., was shipped there; it was a box-car containing small tools and a hoisting engine and other machinery, including a No. 5 Gates crusher—twenty-four pieces in all.

#### Cross-examination.

I did not prepare the plans for this plant at Kendall. No buildings were put up, you know. I staked them out on the ground. I did not determine where those buildings were to be,—that was marked on the plan, and all I had to do was to go there and make a survey, but I shifted the axis of the building a little bit. I was given complete plans at the outset to follow, and all I had to do there was to follow those plans with such slight modifications as might suggest



(Testimony of Ernest E. Evans.)

themselves to me from time to time, and any change I would make I would report before carrying it out. I have been all over these limestone deposits and examined them with a view of ascertaining how much limestone there was there only from a superficial view of it from the outcroppings of the ground. I did not see them casually—I studied them continuously with the idea of finding a location for the opening of the quarry. I have the dip of the limestone strata there somewhere in my record. I have forgotten it now. It came in dips just about like that. These white marks in Complainant's Exhibit 9 which appears in the upper right-hand corner are, I think, our first outcropping, the first place that was cleared. That place is clear—it was slashed in there. It was cleared right around the limestone there to develop it to see what was there. I cannot remember whether what you indicate was slashed—that was not on our property. I know there has been some slashing done there—that is what makes the limestone show up so you can see it. I think the top of the limestone was 1200 feet to the top of the hill; you could trace it up, the outcroppings, for 600 feet. I think the dip was about 30 degrees, as I remember, [427—149] into the hill; it dipped this way. I could not say as to the strike of the strata. I do not think it was level. It is very hard to determine that there because it was so covered with brush. But I did have a continuous outcropping of limestone in patches from a point about 600 feet to a point 1200 feet. These outcroppings had not been dislodged; they were simply there



(Testimony of Ernest E. Evans.)

as great masses of country rock. No, it was not perfectly apparent to me going there and looking at this limestone and at these outcroppings extending about 600 feet up and down the hill that there were vast masses of limestone in that region. Before I would want to spend any money there, I would want to develop it, and see what was in it. It looked as if there were large bodies of limestone rock there but you could not tell what was under it. The Balfour-Guthrie property was on the other side of the railroad just across the valley—at the foot of the valley; they were on one side and we were on the other. The railroad ran right up the center of the valley. While I was there I did consider the question as to whether the Balfour-Guthrie limestone deposits were a continuation of the same formation that was found on this property; they probably were in the valley. Of course, the overburden was so great that you could not mine it there. The limestone deposits on the property of the Northwestern Portland Cement Company took the same general direction toward the Balfour-Guthrie property; that is all you can see of it. That was my judgment at the time, but there was no limestone between the two—that was the general indication of the limestone running through the country. You could trace it further up than that.

#### Redirect Examination.

When I spoke of this exhibition of limestone for 600 feet up, I meant that this 600 feet was in patches; it was not continuous. [428—150]

(Testimony of Ernest E. Evans.)

Recross-examination.

I thought that the limestone formation was practically continuous from 600 feet up to 1200 feet; but I made no investigation to determine scientifically the existence of that fact—not between these places; it is reasonable to suppose it would be there. That 600 feet was the lowest place that we could start operations for mining.

Mr. DUNNE.—We offer in evidence the articles of incorporation of the Standard Portland Cement Company filed in the office of the Secretary of State on January 27th, 1902; also the articles of incorporation of the Santa Cruz Portland Cement Company filed in the office of the Secretary of State on the 2d day of June, 1905; also certificate as to the creation of the bond indebtedness of the Santa Cruz Portland Cement Company filed in the office of the Secretary of State September 1, 1905; and also articles of incorporation of the Puget Sound Portland Cement Co. dated July 13th, 1906, and filed in the office of the County Clerk of the City and County of San Francisco on the 14th of July, 1906; and also the articles of incorporation of the Northwestern Portland Cement Company dated August 23, 1906, and filed in the office of the County Clerk of the City and County of San Francisco on the 23d of August, 1906; and also the certificate of creation of the bond indebtedness of the Northwestern Portland Cement Company dated November 3d, 1906, and filed in the office of the County Clerk of the City and County

of San Francisco, on November 5th, 1906; and also the articles of incorporation of the Standard Portland Cement Corporation dated February 23, 1907, and filed in the office of the County Clerk of the City and County of San Francisco on February 23, 1907. Each and all of said documents so offered were received and read in evidence in said cause and are in words and figures as follows, to wit: [429—151]

“ARTICLES OF INCORPORATION OF THE  
STANDARD PORTLAND CEMENT COM-  
PANY.

No. 6293.

C. F. Curry, Secretary of State. J. Hoesch, Deputy.

STATE OF CALIFORNIA.

DEPARTMENT OF STATE.

I, C. F. CURRY, Secretary of State of the State of California, do hereby certify that I have carefully compared the annexed copy of Articles of Incorporation of STANDARD PORTLAND CEMENT COMPANY with the certified copy of the original now on file in my office, and that the same is a correct transcript therefrom, and of the whole thereof, and of the whole thereof. ALSO that this authentication is in due form and by the proper officer.

WITNESS my hand and the Great Seal of State at office in Sacramento, California, the 12th day of November, A. D. 1906.

(Great Seal)

C. F. CURRY,  
Secretary of State.

By J. Hoesch,  
Deputy.” [430—151a]

“ARTICLES OF INCORPORATION

of the

STANDARD PORTLAND CEMENT COMPANY.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, all of whom are citizens and residents of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the State of California,

AND WE DO HEREBY CERTIFY,

FIRST: That the name of said corporation shall be

STANDARD PORTLAND CEMENT COMPANY.

SECOND: That the purposes for which it is formed are: To acquire, own, hold and lease real property within the State of California, and elsewhere. To operate quarries: To manufacture, sell, purchase and deal in cement of all kinds: To construct, own, operate and acquire works for the manufacture of cement: To own, purchase and acquire water and water rights, and to construct, maintain and operate aqueducts, reservoirs and ditches necessary or useful in utilizing the same: To buy, sell, own and deal in shares of stock, bonds and obligations of other corporations: To charter, construct, own, hold and acquire wharves and warehouses for use in connection therewith: To acquire, own and hold patent rights and licenses: To borrow and lend money: And generally, to do and perform all other things

necessary or incidental to any of the purposes hereinabove set forth.

THIRD: That the place where the principal business of the corporation is to be transacted is the City and County of San Francisco, State of California.

FOURTH: That the term for which said corporation is to exist is fifty (50) years from and after the date of its incorporation.

FIFTH: That the number of Directors or Trustees of the corporation shall be five (5) and that the names and residences of Directors or Trustees who are appointed for the first year and to serve until the election and qualification of such officers, are as follows, to wit:

Names:	Residences:
William J. Dingee,	San Francisco, California.
F. W. Henshaw,	Oakland, California.
W. G. Henshaw,	Oakland, California.
Edward J. McCutchen,	San Francisco, California.
Frank C. Havens.	Oakland, California.

SIXTH: That the amount of the capital stock of the corporation is two million (2,000,000) dollars, divided into twenty thousand (20,000) shares of the par value of one hundred (100) dollars each/

SEVENTH: That the Amount of said capital stock which has been actually subscribed is two thousand five hundred (2,500) dollars, and the following are the names of the persons by whom the same has been subscribed, to wit: [431—151b]

604     *Standard Portland Cement Corporation*

Names of Subscribers.	Number of Shares.	Amount.
William J. Dingee	Five	\$500.—
F. W. Henshaw	Five	500.—
W. G. Henshaw	Five	500.—
Edward J. McCutchen	Five	500.—
Frank C. Havens	Five	500.—

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 24th day of January, A. D. 1902.

WILLIAM J. DINGEE.                    (Seal)  
 F. W. HENSHAW.                    (Seal)  
 WM. G. HENSHAW.                    (Seal)  
 EDW'D J. McCUTCHEN.                (Seal)  
 F. C. HAVENS.                        (Seal)

State of California,  
 City and County of San Francisco,—ss.

On this 24th day of January, in the year nineteen hundred and two, before me, Frank L. Owen, a Notary Public in and for the City and County of San Francisco, State of California, personally appeared William J. Dingee, F. W. Henshaw, W. G. Henshaw, Edward J. McCutchen and Frank C. Havens, known to me to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

(Seal)                                    FRANK L. OWEN,  
 Notary Public in and for the City and County of San  
 Francisco, State of California.



State of California,  
City and County of San Francisco,—ss.

I, Albert B. Mahony, County Clerk of the City and County of San Francisco, State of California, hereby certify the foregoing to be a full, true and correct copy of the original Articles of Incorporation of the STANDARD PORTLAND CEMENT COMPANY, filed in my office on the 25th day of January, A. D. 1912.

ATTEST my hand and my official seal this 25th day of January, A. D. 1902.

(Seal)

ALBERT B. MAHONY,

County Clerk.

By Joseph Riordan,

Deputy Clerk.

Endorsed: Filed in the office of the County Clerk of the city and county of San Francisco, State of California, this 25th day of January, A. D. 1902. Albert B. Mahony, County Clerk. By Joseph Riordan, Deputy Clerk."

(Endorsed on Back:) "34722. Articles of Incorporation of the Standard [432—151c] Portland Cement Company. Certified Copy. (Endorsed:) Filed in the office of the Secretary of State, the 27th day of Jan., A. D. 1902. F. C. Curry, Secretary of State. By J. Hoesch, Deputy. Record book 133. Page 224. Department of State, California."

“ARTICLES OF INCORPORATION OF THE  
SANTA CRUZ PORTLAND CEMENT COM-  
PANY.

No. 6289.

C. F. Curry, Secretary of State.    J. Hoesch, Deputy.

STATE OF CALIFORNIA.

DEPARTMENT OF STATE.

I, C. F. CURRY, Secretary of *the* State of the State of California, do hereby certify that I have carefully compared the annexed copy of Articles of Incorporation of SANTA CRUZ PORTLAND CEMENT COMPANY, with the certified copy of the original now on file in my office, and that the same is a correct transcript therefrom, and of the whole thereof. Also that this authentication is in due form and by the proper officer.

WITNESS my hand and the Great Seal of State, at office in Sacramento, California, the 12th day of November, A. D. 1906.

(Great Seal)

C. F. CURRY,  
Secretary of State.  
By J. Hoesch,  
Deputy.”

“ARTICLES OF INCORPORATION OF THE  
SANTA CRUZ PORTLAND CEMENT COM-  
PANY.

KNOW ALL MEN BY THESE PRESENTS;  
That we, the undersigned, a majority of whom are citizens and residents of the State of California, have

this day voluntarily associated ourselves together for the purpose of forming a corporation, under the laws of the State of California.

AND WE HEREBY CERTIFY:

FIRST: That the name of said corporation shall be

SANTA CRUZ PORTLAND CEMENT COMPANY.

SECOND: That the purposes for which it is formed are to manufacture, buy, sell and deal in cement, and the products thereof; to build, construct, hire, lease, buy, maintain and operate works for manufacturing cement, and the products thereof; to acquire, buy, sell, hold, own, mortgage, hypothecate, lease, let, exchange, and improve, in the modes and ways permitted by law, all kinds of real and personal property, including easements, water, water [433—151d] rights, and all kinds of rights and franchises; to operate quarries, mines, ditches, pipe lines, flumes, chutes, reservoirs, waterworks and electric plants, and to generate, transport, transmit and sell water, water power and electric power; to charter, build, construct, own, lease, hire and operate steam, sailing and other vessels, and wharves, piers and warehouses; to buy, sell, take, lease, or otherwise acquire and own inventions and patents, and all kinds of interests therein; to buy, sell, acquire, own and hold stocks, bonds, debentures and evidences of debt of itself and other corporations and persons; to borrow and loan money, and to convey in trust or by way or mortgage or pledge, any of its property, rights and

franchises, including stocks and bonds issued by it for the purpose of securing any indebtedness which it may *tract*; and generally to make all kinds of contracts, and do and perform all other things necessary or incidental to any of the purposes hereinabove set forth.

THIRD: That the place where the principal business of said corporation is to be transacted is the City and County of San Francisco, State of California.

FOURTH: That the term for which said corporation is to exist is fifty (50) years, from and after the date of its incorporation.

FIFTH: That the number of Directors of said corporation shall be five, and that the names and residences of the Directors who are appointed for the first year, and to serve until the election and qualification of such officers, are as follows, to wit:

Names:	Whose Residence is at
W. C. Webb	San Francisco, California.
Edwin Schwab	San Francisco, California.
W. B. Downing	San Francisco, California.
W. N. Hohfield	San Francisco, California.
A. F. Morrison	San Francisco, California.

SIXTH: That the amount of the Capital Stock of said corporation is five million (5,000,000) dollars, and the number of shares into which it is divided is fifty thousand (50,000) shares of the par value of one hundred (100) dollars each.

SEVENTH: That the amount of said Capital Stock which has been actually subscribed is five hundred (500) dollars, and the following are the names

of the persons by whom the same has been subscribed, to wit:

Name of Subscribers.	No. of Shares.	Amount.
W. C. Webb	One	\$100.00
Edwin Schwab	One	\$100.00
W. B. Downing	One	\$100.00
W. N. Hofeld	One	\$100.00
A. F. Morrison	One	\$100.00

IN WITNESS WHEREOF, we have hereunto set our hands and *sales* this 31st day of May 1905.

W. C. WEBB. (Seal)

EDWIN SCHWAB. (Seal)

W. S. DOWNING. (Seal)

W. N. HOHFELD. (Seal)

A. F. MORRISON. (Seal)

Signed and sealed in the presence of

JAMES MASON. [434—151e]

State of California,

City and County of San Francisco,—ss.

On this 31st day of May, in the year A. D. 1905, before me, James Mason, a Notary Public in and for said City and County duly commissioned and sworn, personally appeared W. C. Webb, Edwin Schwab, W. S. Downing, W. N. Hohfeld, and A. F. Morrison, known to me to be the persons whose names are subscribed to, and who executed the within instrument, and acknowledged that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

(Seal)

JAMES MASON,

Notary Public in and for the City and County of San Francisco, State of California.

State of California,  
City and County of San Francisco,—ss.

I, John J. Greif, County Clerk of the City and County of San Francisco, State of California, hereby certify the foregoing to be a full, true and correct copy of the original Articles of Incorporation of SANTA CRUZ PORTLAND CEMENT COMPANY filed in my office on the 1st day of June, A. D. 1905.

ATTEST my hand and my official seal this 1st day of June, A. D. 1905.

(Seal)

JOHN J. GREIF,

County Clerk.

By A. Houston,

Deputy County Clerk.

Filed in the office of the County Clerk of the City and County of San Francisco, State of California, this 1st day of June, A. D. 1905.

JOHN J. GREIF,

County Clerk.

By A. Houston,

Deputy County Clerk.”

(Endorsed on Back): “43059. Articles of Incorporation of the Santa Cruz Portland Cement Company. Certified Copy. (Endorsed.) Filed in the Office of the Secretary of State the 2nd day of June, A. D. 1905. C. F. Curry, Secretary of State. By J. Hoesch, Deputy. Record Book 167. Page 295. Department of State, California.”



“CERTIFICATE AS TO CREATION OF  
BONDED INDEBTEDNESS OF SANTA  
CRUZ PORTLAND CEMENT COMPANY.

STATE OF CALIFORNIA.

DEPARTMENT OF STATE.

I, C. F. Curry, Secretary of State of the State of California, do [435—151f] hereby certify that I have carefully compared the annexed copy of Creation of Bonded indebtedness of Santa Cruz Portland Cement Company with the certified copy of original now on file in my office, and that the same is a correct transcript therefrom, and of the whole thereof. Also, that this authentication is in due form and by the proper officer.

Witness my hand and the Great Seal of State, at office in Sacramento, California, the 12th day of Nov., A. D. 1906.

(Great Seal)

C. F. CURRY,  
Secretary of State.  
By J. Hoesch,  
Deputy.”

“CERTIFICATE

as to

CREATION OF BONDED INDEBTEDNESS

of

SANTA CRUZ PORTLAND CEMENT COM-  
PANY.

State of California,

City and County of San Francisco,—ss.

WE, William J. Dingee, President of Santa Cruz

Portland Cement Company, a corporation duly incorporated, organized and existing under and by virtue of the laws of the State of California, and Frank A. Losh, Secretary of said corporation, and we, the undersigned, William J. Dingee, Frank A. Losh, W. C. Webb, and A. F. Morrison, being a majority of the directors of said Santa Cruz Portland Cement Company, do hereby certify and declare as follows:

That Santa Cruz Portland Cement Company is, and was during all the times hereinafter mentioned, a corporation duly incorporated, organized and existing under and by virtue of the laws of the State of California, and having its office and principal place of business at the City and County of San Francisco, State of California, as by its Articles of Incorporation duly filed in the office of the County Clerk of the said City and County of San Francisco, and in the office of the Secretary of State of the State of California, will more fully appear:

That the amount of the capital stock of the said corporation authorized by its Articles of Incorporation, is five million (5,000,000) dollars, and that the number of shares into which said capital stock is divided is fifty thousand (50,000) shares, of the par value of one hundred (100) dollars each: that all of said fifty thousand (50,000) shares have been subscribed for, and are and were at all times herein mentioned, issued and outstanding: that the number of Directors of said corporation as provided in its articles of Incorporation is five (5) and that the names of the persons who are, and were at all the times

herein mentioned, the Directors of said corporation, are as follows, namely: William J. Dingee, Irving A. Bachman, Frank A. Losh, W. C. Webb, and A. F. Morrison:

That at a meeting of the Board of Directors of said Santa Cruz Portland Cement Company, duly called, noticed and held at the office of the Company, on the 27th day of June, 1905, at which [436—151g] meeting of said Board all the members thereof were present and concurred therein, the following resolution was adopted by the unanimous vote of all the Directors of said corporation, viz.:

WHEREAS: the Board of Directors of Santa Cruz Portland Cement Company, a corporation, created, organized and existing under the laws of the State of California, deem it expedient to create a bonded indebtedness of the corporation to the amount of two million (2,000,000) dollars, in United States Gold Coin, for the purpose of providing moneys to purchase property, to build and equip a cement manufacturing plant suitable for the business of the corporation, and for legitimate and necessary purposes, which bonded indebtedness shall be secured by a mortgage or deed of trust covering all of the property, both real and personal, now owned by the corporation and which it may hereafter acquired.

NOW, THEREFORE, BE IT RESOLVED, that a meeting of the stockholders of this corporation, Santa Cruz Portland Cement Company be, and the same is, hereby called, and will be held at the office of the corporation, at Room Number 30 of the Crocker Building, at the Southwest corner of Post,

Montgomery and Market Streets, in the City and County of San Francisco, State of California (that being the office and principal place of business of the corporation, and the building where the Board of Directors usually meet) on Thursday the 31st day of August, 1905, at the hour of 10 o'clock A. M. for the purpose of considering and acting upon a proposition to create a bonded indebtedness of the corporation, to the amount of two million (2,000,000) dollars, United States Gold Coin, to the end and for the purpose of providing moneys to purchase property, to build and equip a cement manufacturing plant suitable for the business of the corporation, and for legitimate and necessary purposes: which bonded indebtedness shall be secured by a mortgage or deed of trust upon all of the property, both real and personal, now owned by the corporation and which it may hereafter acquire:

And that the Secretary of the corporation cause a notice of said meeting to be given by publication in the Bulletin, a newspaper of general circulation, printed and published in the City and County of San Francisco, State of California, once a week for at least sixty (60) days prior to the 31st day of August, 1905, which notice shall specify the object of the meeting the time and place of holding the meeting, and shall state the amount of the bonded indebtedness which it is proposed to create, and shall be substantially in the following form:

NOTICE OF STOCKHOLDERS' MEETING  
OF SANTA CRUZ PORTLAND CEMENT  
COMPANY TO CONSIDER PROPOSITION  
TO CREATE A BONDED INDEBT-  
EDNESS.

NOTICE TO THE STOCKHOLDERS of Santa Cruz Portland Cement Company is hereby given, that in pursuance of a resolution of the Board of Directors said corporation, unanimously adopted at a meeting of said Board, held at the office of the corporation, in the City and County of San Francisco, State of California, on the 27th day of June, 1905, a special meeting of the stockholders of said Santa [437—151h] Cruz Portland Cement Company will be held at the office of the corporation, Room No. 30, of the Crocker Building, at the southwest corner of Post, Montgomery and Market Streets, in the City and County of San Francisco, State of California (the same being the principal place of business of said corporation), and the building where the Board of Directors usually meet, on Thursday, the 31st day of August, 1905, at the hour of 10 o'clock A. M. for the purpose of considering and acting upon a proposition to create a bonded indebtedness of said corporation, to the amount of two million (2,000,000) Dollars, in United States Gold Coin, to the end and for the purpose of providing moneys to purchase property, to build and equip a cement manufacturing plant suitable for the business of the corporation, and for legitimate and neces-



sary purposes: which bonded indebtedness shall be secured by a mortgage or deed of trust upon all of the property, both real and personal, now owned by the corporation, and which it may hereafter acquire.

By order of the Board of Directors.

.....,

Secretary of Santa Cruz Portland Cement Company.

and FURTHER RESOLVED: that in addition to such notice by publication, the Secretary of this corporation shall address a like notice to each of the stockholders of this corporation, whose names appear on the corporation's books as sufficiently addressed or identified at his place of business, if known, and if not known, then at the place in which the principal place of business of the corporation is situate, which notice shall be mailed to such stockholder at least thirty (30) days prior to the day appointed for such meeting.

And we further certify that the by laws of Santa Cruz Portland Cement Company do not prescribe, and never have prescribed, the newspaper in which notices of meetings of its stockholders or Directors are to be published:

And we do further certify that in pursuance of the foregoing resolution, the said Frank A. Losh, the Secretary of said Corporation caused to be published in "The Bulletin," which is, and was, at all times herein mentioned, a newspaper of general circulation, printed and published daily in said City and



County of San Francisco, State of California, a notice whereof the following is a copy:

NOTICE OF STOCKHOLDERS' MEETING  
OF SANTA CRUZ PORTLAND CEMENT  
COMPANY TO CONSIDER PROPOSITION  
TO CREATE A BONDED INDEBT-  
EDNESS.

Notice to the stockholders of Santa Cruz Portland Cement Company is hereby given, that in pursuance of a resolution of the Board of Directors of said corporation, unanimously adopted at a meeting of said Board, held at the office of the corporation, in the City and County of San Francisco, State of California, on the 27th day of June, 1905, a special meeting of the stockholders of said Santa Cruz Portland Cement Company will be held at the office of the corporation, Room No. 30 of the Crocker Building, at the southwest corner of Post, Montgomery and Market Streets, in the City and County of San Francisco, State of California (the same being the principal place of business of said corporation, and the building where the [438—  
[151i] Board of Directors usually meet), on Thursday, the 31st day of August, 1905, at the hour of 10 o'clock a. m. for the purpose of considering and acting upon a proposition to create a bonded indebtedness of said corporation, to the amount of two million (2,000,000) dollars, in United States gold coin, to the end and for the purpose of provided moneys to purchase

property, to build and equip a cement manufacturing plant suitable for the business of the corporation, and for legitimate and necessary purposes: which bonded indebtedness shall be secured by a mortgage or deed of trust upon all of the property, both real and personal, now owned by the corporation, and which it may hereafter acquire.

By order of the Board of Directors.

FRANK A. LOSH,

Secretary of Santa Cruz Portland Cement Company.

je28 til aug.30 inc.

That said publication of said notice was commenced on Wednesday, June 28th, 1905, and the same was published in the regular issue of said newspaper on the following days, to wit: June 28th, 1905, July 5th, 1905, July 12th, 1905, July 19th, 1905, July 26th, 1905, August 2nd, 1905, and August 9th, 1905, August 16th, 1905, August 23rd, 1905, and August 30th, 1905, being once a week for at least sixty (60) days prior to Thursday, the 31st day of August, 1905, the day fixed for said stockholders' meeting, and that the affidavit of the publication of said notice, marked Exhibit 'A' is hereto attached and made a part hereof:

And we do further certify that on the 31st day of July, 1905, a true copy of said notice was by the Secretary of said corporation, addressed and mailed to each of the stockholders of said corporation whose names appeared upon the books of said corporation as sufficiently dressed, or identified, at his place of residence, and to every stockholder of the cor-

poration whose name appeared upon the books of the corporation from and including the said 27th day of June, 1905, to and including the 31st day of July, 1905, at his place of residence. Said notices were mailed to said stockholders by depositing the same in the United States Postoffice in the City and County of San Francisco, State of California, with the postage thereon fully prepaid, one of said notices being addressed to each of said stockholders at his place of residence: that at the time said notices were so addressed and mailed to such stockholder, the name of each stockholder of the corporation appeared on the books of the corporation sufficiently addressed, and identified and the residence of each stockholder was known to said Secretary, and that the affidavit of Frank A. Losh, the Secretary of said corporation, marked Exhibit 'B,' showing such mailing of said notices, is hereto attached and made a part hereof:

And we do further certify and declare that in pursuance of said resolution and notice, and on the day appointed therein to wit, on the 31st day of August, 1905, at the hour of 10 o'clock a. m. of that day, at the office of the said corporation, at Room No. 30, of the Crocker Building, at the southwest corner of Post, Montgomery and Market Streets, in the City and County of San Francisco, State of California (the same being the principal place of business of said corporation, and being the building where the board of Directors usually meet,) said meeting of the stockholders of said Santa Cruz Portland Cement Company duly took place and was held: that the said

meeting was called to order by William J. Dingee, the [439—151j] President of said corporation, who acted as such chairman of said meeting: and said Frank A. Losh, the secretary of said corporation, acted as such Secretary of said meeting:

And we further certify and declare that at said stockholders' meeting there were present in person and represented by proxy in writing; stockholders of said corporation holding and representing upon the books of the Company, fifty thousand (50,000) shares of the subscribed and issued capital stock thereof. The same being all of the subscribed and issued capital stock of the corporation:

And we do further certify and declare that the following proceedings of said meeting of stockholders were then taken and had:

The President stated that the meeting had been called by the Board of Directors of the corporation for the purpose of considering and acting upon a proposition to create a bonded indebtedness of said corporation to the amount of two million (2,000,000) dollars, in United States gold coin, to the end and for the purpose of providing moneys to purchase property, to build and equip a cement manufacturing plant suitable for the business of the corporation, and for legitimate and necessary purposes, which bonded indebtedness shall be secured by a mortgage or deed of trust upon all of the property, both real and personal, now owned by the corporation, and which it may hereafter acquire.

The Secretary thereupon read the resolution of the Board of Directors adopted at the meeting of the

Board held on June 27th 1905, calling such meeting of the stockholders, which resolution is hereinbefore set forth.

It having been shown that the publication and service of the notice of the meeting had been made in the manner and in all respects as required by law, the stockholders thereupon proceeded to consider said proposition, and after discussing and considering the same Mr. A. F. Morrison, a stockholder of the corporation, offered the following resolution and moved their adoption, namely:

WHEREAS, heretofore, to wit: on the 27th day of June, A. D. 1905, the Board of Directors of Santa Cruz Portland Cement Company, a corporation, by a resolution duly passed and adopted, by the unanimous vote of the board, all of the Directors being present, ordered and called a meeting of the stockholders of the corporation to be held on this 31st day of August, A. D. 1905, at the hour of 10 o'clock A. M. of this day, at the office of the corporation, at Room No. 30, of the Crocker Building, at the southwest corner of Post, Montgomery and Market Streets, in the City and County of San Francisco, State of California (that being the principal place of business and the office of the corporation, and the building where the Board of Directors usually meet), for the object and purpose of then and there considering and acting upon a proposition to create a bonded indebtedness of the corporation to the amount of two million (2,000,000) dollars, in United States gold coin, to the end and for the purpose of providing moneys to purchase property, to build and equip a cement



manufacturing, plant suitable for the business of the corporation, and for legitimate and necessary purposes; and     [440—151k]

WHEREAS, in pursuance thereof, a notice of the time and place of said meeting, specifying the object of said meeting and the amount of the bonded indebtedness which it is proposed to create, has been published in "The Bulletin" a newspaper printed and published in the City and County of San Francisco, State of California, and designated therefor in said resolution of the Board of Directors ordering and calling said meeting, once a week for at least sixty (60) days prior to the date of said meeting, and, in addition to said notice by publication, the Secretary of the corporation did address a like notice to each of the stockholders of the corporation at his place of residence which notices, so addressed, were mailed, in the United States Post Office, at San Francisco, California, with the United States postage, thereon fully prepaid, to each of the stockholders of the corporation, more than thirty (30) days before the day appointed for such meetings, all of which is now shown to have been done as required by law and the said resolution of the Board of Directors, and

WHEREAS, there are here present, at this meeting, in person and represented by proxy in writing, stockholders of this corporation, owning more than two-third ( $2/3$ ) of the subscribed and issued capital stock of the corporation; and

WHEREAS, by reason of the facts herein recited and by virtue of law this meeting of stockholders is qualified by a vote of stockholders representing at



least two-thirds ( $2/3$ ) of the subscribed and issued capital stock of the corporation, to create a bonded indebtedness to the amount mentioned in said resolution of the Board of Directors and said notices:

NOW, THEREFORE, BE IT RESOLVED: That a bonded indebtedness of said Santa Cruz Portland Cement Company, to the amount of two million (2,000,000) dollars, in United States gold coin, be, and the same is, hereby authorized and created, for the purpose of providing moneys to purchase property, to build and equip a cement manufacturing plant suitable for the business of the corporation, and for legitimate and necessary purposes:

AND BE IT FURTHER RESOLVED: That the bonded indebtedness hereby authorized and created shall be represented by two thousand (2,000) bonds of this corporation, of the denomination of one thousand (1,000) dollars each; and that said bonds shall bear interest at a rate not exceeding nine (9) per cent per annum, from date until paid, which interest shall be payable in such installments and at such times as the Board of Directors may determine; and said bonds shall have appropriate coupons attached for each interest payment; and that both the principal and interest of said bonds shall be payable in United States gold coin of the present standard of weight and fineness, and that said bonds shall bear date September first, 1905, and be payable, by their terms, on the first day of September in the year 1845, except that this corporation shall reserve the right, at its option, to call in and redeem any of said bonds, on the first day of September, 1910, or on the first

day of any March, or the first day or any September, thereafter, upon the payment of the par value thereof, with a premium of ten (10) per cent on such par value, and the interest due thereon at the date fixed for redemption:

AND BE IT FURTHER RESOLVED: That the Board of Directors for the purpose of securing the payment of said bonds, and the interest thereon, be, and it is, hereby authorized, empowered and directed to [441—151] prepare, execute, acknowledge and deliver, or to cause to be prepared, executed, acknowledged, and delivered in the name and under the seal of this corporation, to the Mercantile Trust Company of San Francisco, as trustee, a mortgage or deed of trust covering all of the property, both real and personal, now owned by the corporation and all which it may hereafter acquire, and that such mortgage or deed of trust and said bonds and coupons be made in such form and contain such provisions, terms and conditions, in all respects, as the Board of Directors may deem necessary proper or expedient in the premises, or may authorize to be executed.

AND BE IT FURTHER RESOLVED: That the said bonds and the whole thereof, be sold and disposed of by and under the direction of the Board of Trustees, in such lots and parcels, and in such manner, and upon such terms as to the Board shall seem proper.

AND BE IT FURTHER RESOLVED: That the Board of Directors be, and it is hereby expressly authorized, empowered, and directed to do and perform each and every act, deed and thing whatsoever,

which to the said Board of Directors shall seem requisite or necessary, or proper, to fully carry out the objects and intent of these resolutions, and to fully accomplish the purposes and objects for which said bonded indebtedness has been created and authorized.

The motion to adopt said resolutions was seconded by Mr. Frank A. Losh, a stockholder of the corporation. The President put the question on the adoption of the resolution, and the stockholders then proceeded to vote, upon a call of the roll, by 'ayes' and 'nay', upon said motion to adopt the resolutions and the following-named stockholders owning and holding respectively the number of shares of the subscribed capital stock of said corporation, set opposite their several and respective names, voted in favor of the adoption of said resolutions, that is to say:

Irving A. Bachman, by Will-

iam J. Dingee.....	27,495 shares.
William J. Dingee.....	1 share.
Frank A. Losh.....	1 share.
Frank A. Losh, Trustee.....	22,500 shares.
A. F. Morrison.....	1 share.
W. C. Webb.....	1 “

---

Total.....50,000 shares.

said vote being the unanimous vote in favor of the adoption of said resolutions by all of the stockholders of the corporation.

Whereupon the President declared that the motion to adopt said resolutions had been unanimously carried, and that said resolutions had been passed,

and adopted by the vote of all stockholders, present at said meeting, namely by stockholders representing, 50,000 shares of the subscribed and issued capital stock of the corporation, being the entire capital stock; all of which appears of record in the minutes of said meeting of the stockholders thereof, as recorded and preserved in its record book. [442—151m]

And we do further certify and declare that by the proceedings aforesaid, a bonded indebtedness of the Santa Cruz Portland Cement Company has been created, and authorized to be created, in the amount in the aggregate of two million (2,000,000) dollars, in United States gold coin, that the amount of stock represented at said stockholders' meeting was 50,000 shares of the par value of one hundred (100) dollars per share, aggregating five million (5,000,000) dollars of par value; that the vote by which said bonded indebtedness was created, accomplished and authorized, was a vote in favor thereof by stockholders representing 50,000 shares of the subscribed and issued capital stock of the corporation; that there were no votes in the negative; and that the creation of said bonded indebtedness was accomplished by votes of stockholders representing 50,000 shares of the subscribed and issued capital stock of said corporation which is more than two thirds *of then* subscribed capital stock of the corporation; and that all of the requirements of the Civil Code of the State of California have been complied with, by Santa Cruz Portland Cement Company.

IN WITNESS WHEREOF, we have hereunto set

our hands and caused the corporate seal of said corporation to be hereunto affixed this 31st day of August, 1905.

WILLIAM J. DINGEE,  
President of Santa Cruz Portland Cement Company,  
a Corporation.

FRANK A. LOSH,  
Secretary of Santa Cruz Portland Cement Company,  
a Corporation.

WILLIAM J. DINGEE,  
Director of said Santa Cruz Portland Cement Com-  
pany.

FRANK A. LOSH,  
Director of said Santa Cruz Portland Cement Com-  
pany.

W. C. WEBB,  
Director of said Santa Cruz Portland Cement Com-  
pany.

A. F. MORRISON,  
Director of said Santa Cruz Portland Cement Com-  
pany.

STATE OF CALIFORNIA,  
CITY AND COUNTY OF SAN FRANCISCO,—ss.

On this 31st day of August, 1905, before me, Ade-  
line Copeland, a Notary Public in and for said City  
and County of San Francisco, State of California,  
duly commissioned and sworn, personally appeared  
William J. Dingee, known to me to be the President  
of the Santa Cruz Portland Cement Company, the  
corporation described in the within and annexed in-  
strument, and the Chairman of the meeting of stock-  
holders of said corporation whose name is subscribed



to said instrument as such President; and Frank A. Losh, known to me to be the Secretary of said Santa Cruz Portland Cement Company, and the Secretary of said meeting of said stockholders, of said company whose name is subscribed to the said instrument as [443—151n] such Secretary and they severally acknowledged to me that they executed said instrument as such President and Secretary respectively of said corporation; and on the same day personally appeared before me William J. Dingee, Frank A. Losh, W. C. Webb and A. F. Morrisison, known to me to be the Directors of said Santa Cruz Portland Cement Company whose names are subscribed to said instrument as such Directors, and they severally acknowledged that they executed said within and annexed instrument, as Directors of said Santa Cruz Portland Cement Company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in the City and County of San Francisco, State of California, the day and year in this certificate first above written.

[Seal]                      ADELINE COPELAND,  
Notary Public in and for the City and County of  
San Francisco, State of California.

State of California,  
City and County of San Francisco,—ss.

William J. Dingee and Frank A. Losh, being each duly sworn each for himself, deposes and says: that said William J. Dingee is and was at all times mentioned in the foregoing certificate as to creation of bonded indebtedness of the Santa Cruz Portland

Cement Company, a corporation, the President and the said Frank A. Losh is, and at all of said times was, the Secretary of said Santa Cruz Portland Cement Company; that affiant has read the above-mentioned certificate and knows the contents thereof and that the same is true.

WILLIAM J. DINGEE.

FRANK A. LOSH.

Subscribed and sworn to before me this 31st day of August, 1905.

[Seal]

ADELINE COPELAND.

Notary Public in and for the City and County of  
San Francisco, State of California.

State of California,

City and County of San Francisco,—ss.

H. F. Silk, of the said City and County, being duly sworn deposes and says, that he is a citizen of the United States; that he is and was at all times hereinafter mentioned, over twenty-one years of age; and is competent to be a witness on the hearing of the matters mentioned in the annexed notice; that he has no interest whatsoever in the matters mentioned therein; and that he is and was during all the time embraced in the period of the publication herein mentioned, the principal clerk of the printers and publishers of THE BULLETIN, a newspaper printed and published daily in said City and County, and has charge of all the advertisements in said newspaper; and that the annexed Notice of Stockholders' meeting of said Santa Cruz Portland Cement Company to consider proposition to create a

bonded indebtedness of which the following is a printed copy: [444—1510]

NOTICE OF STOCKHOLDERS' MEETING  
OF SANTA CRUZ PORTLAND CEMENT  
COMPANY TO CONSIDER PROPOSITION  
TO CREATE A BONDED INDEBTEDNESS.

Notice to the stockholders of Santa Cruz Portland Cement Company is hereby given, that in pursuance of a resolution of the Board of Directors of said corporation, unanimously adopted at a meeting of said board, held at the office of the corporation in the City and County of San Francisco, State of California, on the 27th day of June, 1905, a special meeting of the stockholders of the said Santa Cruz Portland Cement Company will be held at the office of the corporation, Room No. 30 of the Crocker Building, at the southwest corner of Post, Montgomery and Market Streets, in the City and County of San Francisco, State of California (the same being the principal place of business of said corporation, and the building where the Board of Directors usually meet), on Thursday, the 31st day of August, 1905, at the hour of 10 o'clock a. m. for the purpose of considering and acting upon a proposition to create a bonded indebtedness of said corporation, to the amount of two million (2,000,000) dollars in United States gold coin, to the end and for the purpose of providing moneys to purchase property, to build and

equip a cement manufacturing plant suitable for the business of the corporation, and for legitimate and necessary purposes; which bonded indebtedness shall be secured by a mortgage or deed of trust upon all of the property, both real and personal, now owned by the corporation, and which it may hereafter acquire.

By order of SANTA CRUZ PORTLAND CEMENT COMPANY.

je28W til aug 30 inx.

has been published once a week for nine successive weeks, namely, June 28th, July 5-12-19-26 August 2-9-16-23-30- 1905, in the above-named newspaper, commencing (first insertion) Wednesday, July 28th. 1905, and ending (last insertion) Wednesday, August 30th, 1905, (both days inclusive) and further sayeth not.

M. F. SILK.

Subscribed and *sworn* to this 30th day of August, 1905, before me

L. MEININGER,

Notary Public in and for the City and County of San Francisco, State of California.

State of California,

City and County of San Francisco,—ss.

Frank A. Losh, being duly sworn, deposes and says: That he is, and was at all the times herein mentioned, the Secretary of the Santa Cruz Portland Cement Company, a corporation created, organized and existing under the laws of the State of California, and having its principal place of business in the City and County of San Francisco, State of California;

that on the 31st day of July, 1905, he addressed a true copy of the notice, which is hereto [445—151p] affixed and made a part hereof, to each one of the stockholders of said Santa Cruz Portland Cement Company, whose names appeared on the Company's books as stockholders, from and including the 27th day of June, 1905, to and including the said 31st day of July, 1905; that he addressed one notice to each of said stockholders, at his place of residence, and the place of residence of each of said stockholders was then and there known to affiant; and affiant mailed such notice to such stockholders on the said 31st day of July 1905, by depositing the same in the United States Post Office at the City and County of San Francisco, State of California, with the postage thereon fully prepaid; that each of said notices was enclosed in a separate envelope, sealed and properly addressed as aforesaid, with the United States postage thereon fully prepaid.

FRANK A. LOSH.

Subscribed and sworn to before me this 11th day of August, 1905.

[Seal]

ADELINE COPELAND,

Notary Public in and for the City and County of San Francisco, State of California.

NOTICE OF STOCKHOLDERS' MEETING  
OF SANTA CRUZ PORTLAND CEMENT  
COMPANY TO CONSIDER PROPOSITION  
TO CREATE BONDED INDEBTEDNESS.

Notice to the stockholders of Santa Cruz Portland Cement Company is hereby given, that in



pursuance of a resolution of the Board of Directors of said corporation, unanimously adopted at a meeting of said board, held at the office of the corporation in the City and County of San Francisco, State of California, on the 27th day of June, 1905, a special meeting of the stockholders of the said Santa Cruz Portland Cement Company will be held at the office of the corporation, Room No. 30 of the Crocker Building, at the southwest corner of Post, Montgomery and Market Streets, in the City and County of San Francisco, State of California (the same being the principal place of business of said corporation, and the building where the Board of Directors usually meet), on Thursday, the 31st day of August, 1905, at the hour of 10 o'clock a. m. for the purpose of considering and acting upon a proposition to create a bonded indebtedness of said corporation, to the amount of two million (2,000,000) dollars in United States gold coin, to the end and for the purpose of providing moneys to purchase property, to build and equip a cement manufacturing plant suitable for the business of the corporation, and for legitimate and necessary purposes; which bonded indebtedness shall be secured by a mortgage or deed of trust upon all of the property, both real and personal, now owned by the corporation, and which it may hereafter acquire.

By order of the Board of Directors.

FRANK A. LOSH,

Secretary of Santa Cruz Portland Cement Company.

je28W till aug. 30 inc. [446—151q]

State of California,  
City and County of San Francisco.

I, John J. Greif, County Clerk of the City and County of San Francisco, State of California, hereby certify the foregoing to be a full, true and correct copy of the original Certificate as to Creation of Bonded Indebtedness of SANTA CRUZ PORTLAND CEMENT COMPANY, filed in my office on the 31st day of August, A. D. 1905.

ATTEST my hand and my official seal this 31st day of August, A. D. 1905.

[Seal]

JOHN J. GREIF,  
County Clerk.  
By A. Houston,  
Deputy County Clerk.

[Endorsed]: Filed in the office of the County Clerk of the City and County of San Francisco, State of California, this 31st day of August, A. D. 1905.

[Seal]

JOHN J. GREIF,  
County Clerk.  
By A. Houston,  
Deputy County Clerk."

[Endorsed on back:] "43059. Certificate as to Creation of Bonded Indebtedness of Santa Cruz Portland Cement Company. Certified Copy. [Endorsed]: Filed in the office of the Secretary of State the 1st day of Sept. A. D. 1905. C. F. Curry, Secretary of State. By J. Hoesch, Deputy. Record Book . . . . ., Page . . . . . Department of State, California."

“ARTICLES OF INCORPORATION OF PUGET  
SOUND PORTLAND CEMENT COMPANY.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, a majority of whom are citizens and residents of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the State of California.

AND WE HEREBY CERTIFY,

FIRST: That the name of said corporation shall be

PUGET SOUND PORTLAND CEMENT  
COMPANY.

SECOND: That the purposes for which it is formed are to manufacture, buy, sell and deal in cement, and the products thereof, in any part of the world, to build, construct, hire, lease, buy, own, maintain and operate works for manufacturing cement and the products thereof; to acquire, buy, sell, hold, own, mortgage, hypothecate, lease, let, exchange and improve in the modes and ways permitted by law all kinds of real and personal property including [447—151r] easements, water, water rights, and all kinds of rights and franchises; to operate quarries, mines, ditches, pipe lines, flumes, chutes, tramways, reservoirs, water works and electric plants; to generate, transport, transmit, sell water, water power and electric power; to charter, build, construct, own, lease, hire and operate steam, sailing and other vessels, and wharves, piers and warehouses, to buy, sell, take, lease, or otherwise acquire and own inventions,

and patents and all kinds of interests therein; to buy, acquire, own, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of shares of the capital stock of any other corporation or corporations of this, or any other State, Territory or country, and also the bonds or other securities, or evidences of indebtedness of any such corporation, and, while owner of such shares, bonds, securities or evidences of indebtedness to exercise all the rights, powers and privileges of ownership including the right to vote thereon; to aid in any manner any corporation of which any of the bonds or other securities or evidences of indebtedness or stock are held by this corporation, and to do any acts or things designed to protect, preserve, improve or enhance the value of any such bonds or securities or evidences of indebtedness or stock; to borrow money and to convey in trust or by way of mortgage or pledge any of its property, rights and franchises, including stocks and bonds issued by it for the purpose of securing any indebtedness which it may contract, and generally to make all kinds of contracts and do and perform all other things necessary or incidental to any of the purposes hereinabove set forth.

THIRD: That the place where the principal business of said corporation is to be transacted is the City and County of San Francisco, State of California.

FOURTH: That the term for which said corporation is to exist is fifty (50) years, from and after the date of its incorporation.

FIFTH: That the number of Directors of said

corporation shall be *give* (5) and that the names and residences of those who are appointed for the first year are as follows, towit:

Names.	Whose Residence is at.
W. C. Webb,	San Francisco, California.
Edwin Schwab,	San Francisco, California.
R. M. Sims,	San Francisco, California.
R. M. Moore,	San Francisco, California.
A. F. Morrison,	San Francisco, California.

SIXTH: That the amount of the capital stock of said corporation is Five Million (5,000,000) Dollars, and the number of shares into which it is divided is fifty thousand (50,000) shares of the par value of One hundred (\$100) Dollars, each.

SEVENTH: That the amount of said Capital stock which has been actually subscribed is five hundred (\$500.00) Dollars, the following are the names of the persons by whom the same has been subscribed, to-wit:

Names of Subscribers.	No. Shares.	Amount.
W. C. Webb	One	\$100.00
Edwin Schwab	One	\$100.00
R. M. Sims	One	\$100.00
R. M. Moore	One	\$100.00
A. F. Morrison	One	\$100.00

[448—151s]

IN WITNESS WHEREOF, we have hereunto set





ARTICLES OF INCORPORATION OF  
NORTHWESTERN PORTLAND CEMENT  
COMPANY.

KNOW ALL MEN BY THESE PRESENSE:

That we, the undersigned, a majority of whom are citizens and residents of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the State of California,

AND WE HEREBY CERTIFY:

FIRST: That the name of said corporation shall be

NORTHWESTERN PORTLAND CEMENT  
COMPANY. [449—151t]

SECOND: That the purposes for which it is formed are to manufacture, buy, sell and deal in cement, and the products thereof, in any part of the world, to build, construct, hire, lease, buy, own, maintain and operate works for manufacturing cement and the products thereof; to acquire, buy, sell, hold, own, mortgage, hypothecate, lease, let, exchange, and improve in the modes and ways permitted by law all kinds of real and personal property including easements, water, water rights and all kinds of rights and franchises; to operate quarries, mines, ditches, pipe lines, flumes, chutes, tramways, reservoirs, water works and electric plants; to generate, transport, transmit and sell water, water power and electric power; to charter, build, construct, own, lease, hire and operate steam, sailing and other vessels, and wharves, piers and warehouses; to buy, sell, take, lease or otherwise acquire and own inventions and

patents and all kinds of interests therein; to buy, acquire, own, hold, sell, assigns, transfer, mortgage, pledge or otherwise dispose of shares of the capital stock of any other corporation or corporations of this, or any other, State, Territory or country, and also the bonds of other securities or evidences of indebtedness of any such corporation, and while owner of such shares, bonds, securities or evidences of indebtedness to exercise all the rights, powers and privileges of ownership including the right to vote thereon; to aid in any manner any corporation of which any of the bonds or other securities or evidences of indebtedness or stock are held by this corporation, and to do any acts or things designed to protect, preserve, improve or enhance the value of any such bonds or securities or evidences of indebtedness or stock; to borrow money and to convey in trust or by way of mortgage or pledge any of its property, rights and franchises, including stocks and bonds issued by it for the purpose of securing any indebtedness which it may contract, and generally to make all kind of contracts and do and perform all other things necessary or incidental to any of the purposes hereinabove set forth.

**THIRD:** That the place where the principal business of said corporation is to be transacted is the City and County of San Francisco, State of California.

**FOURTH:** That the term for which said corporation is to exist is fifty (50) years, from and after the date of its incorporation.

**FIFTH:** That the number of Directors of said corporation shall be five (5) and that the names and

residences of those who are appointed for the first year are as follows, to-wit:

Names.	Whose Residence is at.
W. C. Webb,	San Francisco, California.
Edwin Schwab,	San Francisco, California.
R. M. Sims,	San Francisco, California.
R. M. Moore,	San Francisco, California.
A. F. Morrison,	San Francisco, California.

SIXTH: That the amount of the capital stock of said corporation is Five Million (5,000,000) Dollars, and the number of shares into which it is divided is Fifty Thousand (50,000) shares of the par value of One Hundred (100) dollars each. [450—151u]

SEVENTH: That the amount of said capital stock which has been actually subscribed is Five Hundred (500) dollars and the following are the names of the persons by whom the same have been subscribed to wit:

Names of Subscribers.	No. of Shares.	Amount.
W. C. Webb	One	\$100.00
Edwin Schwab	One	100.00
R. M. Sims	One	100.00
R. M. Moore	One	100.00
A. F. Morrison.	One	100.00

IN WITNESS WHEREOF we have hereunto set our hands and seals this 22nd day of August, A. D. 1906.

W. C. WEBB.	[Seal]
EDWIN SCHWAB.	[Seal]
R. M. SIMS.	[Seal]
R. M. MOORE.	[Seal]
A. F. MORRISON.	[Seal]

Signed and sealed in the presence of

HENRY P. TRICOU.

STATE OF CALIFORNIA,

City and County of San Francisco,—ss.

On this 22nd day of August in the year A. D. 1906 before me HENRY P. TRICOU, a Notary Public, in and for said City and County, residing therein, and duly commissioned and sworn, personally appeared W. C. Webb, Edwin Schwab, R. M. Sims, R. M. Moore and A. F. Morrison, known to me to be the persons whose names are subscribed to and who executed the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

[Seal]

HENRY P. TRICOU,

Notary Public in and for the City and County of San Francisco, State of California.

[Endorsed on Back]: Indexed 750: Articles of Incorporation of Northwestern Portland Cement Company. Indexed. Dated August 23rd, 1906. Filed in the Office of the County Clerk of the City and County of San Francisco, State of California, this 23rd day of August, A. D. 1906. H. I. Mulerevy, County Clerk. By L. J. Welch, Deputy Clerk.”

[451—151v]



“CERTIFICATE OF CREATION OF BONDED  
INDEBTEDNESS of NORTHWESTERN  
PORTLAND CEMENT COMPANY.

STATE OF CALIFORNIA,

City and County of San Francisco,—ss.

WE, WILLIAM J. DINGEE, President of Northwestern Portland Cement Company, a corporation duly incorporated, organized and existing under and by virtue of the laws of the state of California and Chairman of the meeting of the stockholders thereof, hereafter mentioned, and FRANK A. LOSH, Secretary of said corporation, and Secretary of said meeting of the stockholders thereof, hereinafter mentioned, and we, WILLIAM J. DINGEE, EDWARD McCARY, W. C. WEBB, A. F. MORRISON and FRANK A. LOSH, being all of the Directors of said Northwestern Portland Cement Company, a corporation, do hereby certify and declare as follows:

That Northwestern Portland Cement Company, is and was during all the times hereinafter mentioned, a corporation duly incorporated, organized and existing under and by virtue of the laws of the State of California, and having its office and principal place of business at the City and County of San Francisco, State of California, as by its Articles of Incorporation duly filed in the office of the Secretary of State of the State of California, will more fully appear:

That the amount of the capital stock of said corporation, authorized by its Articles of Incorporation,

is five million (5,000,000.00) dollars, divided into and represented by *fifty* (50,000) *shares* of the par value of one hundred (100) dollars, each; that all of said shares, namely, fifty thousand (50,000) shares of the capital stock of said corporation, have been subscribed for and are issued and outstanding:

That the number of Directors of said corporation, as provided by its Articles of Incorporation, is five (5), and said William J. Dingee, Edward McGary, W. C. Webb, A. F. Morrison, and Frank A. Losh, constitute said Board of Directors and the whole thereof:

That said William J. Dingee is the President of said corporation, and that Frank A. Losh is the Secretary of said corporation; that at a meeting of the Board of Directors of said Northwestern Portland Cement Company duly called, noticed and held at the office of the company in the City and County of San Francisco, State of California on the 30th day of August, 1906, at which meeting of said Board all the members thereof were present and concurred therein, the following resolution was adopted by the unanimous vote of all the Directors of said corporation viz.:

‘WHEREAS, the Board of Directors of this corporation, Northwestern Portland Cement Company, a corporation created, organized and existing under the laws of the State of California, deem it expedient to create a bonded indebtedness of the corporation, to the amount of two million (2,000,000) dollars in United States Gold Coin, for the purpose of providing moneys to acquire property, construct and equip

the company's plant and to pay the indebtedness of the company, and for other legitimate and necessary purposes [452—151w] which bonded indebtedness shall be secured by a mortgage or deed of trust covering all of the property, both real and *person*, now owned by the corporation, and which it may hereafter acquire:

NOW, THEREFORE, BE IT RESOLVED that a meeting of the stockholders of this corporation, Northwestern Portland Cement Company, be, and the same is hereby called and will be held at the office of the corporation, and the building where the Board of Directors usually meet, on Saturday the 3rd day of November, 1906, at the hour of eleven o'clock A. M., for the purpose of considering and acting upon a proposition to create a bonded indebtedness of the corporation to the amount of two million (2,000,000) dollars in United States Gold Coin, to the end and for the purpose of providing moneys to acquire property, construct and equip the Company's plant and to pay the indebtedness of the Company, and for other *legitimate* and necessary purposes; which bonded indebtedness shall be secured by a mortgage or deed of trust upon all of the property, both real and personal, now owned by the corporation, and which it may hereafter acquire, and that the secretary of the corporation cause a notice of said meeting to be given publication in "The Recorder," a newspaper of general circulation, printed and published in the City and County of San Francisco, State of California, once a week for at least sixty (60) days prior to said 3rd day of November 1906, which

notice shall specify the object of the meeting the time and place of holding the meeting, and shall state the amount of the bonded indebtedness which it is proposed to create and shall be substantially in the following form:

NOTICE OF STOCKHOLDERS' MEETING OF  
NORTHWESTERN PORTLAND CEMENT  
COMPANY TO CONSIDER PROPOSITION  
TO CREATE A BONDED INDEBTEDNESS.

Notice to the stockholders of Northwestern Portland Cement Company is hereby given that in pursuance of a resolution of the Board of Directors of said corporation, passed and adopted at a meeting of said Board, held at the office of the corporation in the City and County of San Francisco, State of California, on the 30th day of August, 1906, a special meeting of the stockholders of said Northwestern Portland Cement Company will be held at the office of the corporation No. 1228 McAllister Street, in the City and County of San Francisco, State of California (the same being the principal place of business of said corporation, and the Building where the Board of Directors usually meet), on Saturday the 3rd day of November, 1906, at the hour of eleven (11) o'clock A. M., for the purpose of considering and acting upon a proposition for creating a bonded indebtedness of said corporation to the amount of two million (2,000,000) dollars, in United States Gold Coin, to the end and for the purpose of providing moneys to acquire property, construct and equip the Company's plant, and to pay the indebtedness of

the company, and for other legitimate and necessary purposes; which bonded indebtedness shall be secured by a mortgage or deed of trust upon all of the property, both real and personal, now owned by the corporation, and which it may hereafter acquire.

By order of the Board of Directors.

Dated August 30, 1906.

.....,  
Secretary of Northwestern Portland Cement Company.

And FURTHER RESOLVED: That in addition to said notice by publication, the secretary of this corporation shall address a like notice to each of the stockholders of this corporation, whose names appear on [453—151x] the corporation's books as sufficiently addressed or identified, at his place of residence, if known, and if not known then at the place in which the principal place of business of the corporation is situated, which notice shall be mailed to such stockholder at least thirty (30) days prior to the day appointed for such meeting:

And we further certify that the By Laws of said Northwestern Portland Cement Company do not prescribe, and never have prescribed the newspaper in which notices of meetings of its stockholders or Directors are to be published;

And we do further certify that in pursuance of the foregoing resolution, the said Frank A. Losh, the Secretary of said corporation, caused to be published in "The Recorder," which is and was at all times herein mentioned, a newspaper of general circulation printed and published daily (sundays and holidays



excepted) in the City and County of San Francisco, State of California, notice whereof the following is a copy:     ~

NOTICE OF STOCKHOLDERS' MEETING OF  
NORTHWESTERN PORTLAND CEMENT  
COMPANY TO CONSIDER PROPOSITION  
TO CREATE A BONDED INDEBTEDNESS.

Notice to the Stockholders of Northwestern Portland Cement Company is hereby given that in pursuance of a resolution of the Board of Directors of said corporation, passed and adopted at a meeting of said Board, held at the office of the corporation in the City and County of San Francisco, State of California, on the 30th day of August, 1906, a special meeting of the stockholders of said Northwestern Portland Cement Company will be held at the office of the corporation No. 1228 McAllister Street, in the City and County of San Francisco, State of California, (the same being the principal place of business of said corporation and the building where the Board of Directors usually meet) on Saturday the third day of November 1906, at the hour of eleven (11) o'clock a. m. for the purpose of considering and acting upon a proposition for creating a bonded indebtedness of said corporation to the amount of two million (\$2,000,000) dollars in United States gold coin, to the end and for the purpose of providing moneys to acquire property, construct, and equip the company's plant and to pay the indebtedness of the company, and for other legitimate and necessary purposes; which bonded indebtedness shall be secured

by a mortgage or deed of trust upon all of the property, both real and personal, now owned by the corporation, and which it may hereafter acquire.

By order of the Board of Directors.

Dated August 30, 1906.

FRANK A. LOSH,

Secretary of Northwestern Portland Cement Co.

Aug. 31-10tF.

That said publication of said notice was commenced in said newspaper on Friday the 31st day of August, 1906, and the same was published in the regular issued of said newspaper on the following succeeding days, to wit: September 27th, 1906, September 14th, 1906; September 21st, 1906; September 28th, 1906; October 5th, 1906 and November 2nd, 1906, being once a week for at least sixty (60) days prior to Saturday, the 3rd day of November, 1906, the day fixed for said stockholders' meeting and that the affidavit of due publication of said notice, marked "Exhibit A" is hereto attached and made a part hereof; [454—151y]

And we do further certify that on the 2nd day of October, 1906, a true copy of said notice was by the Secretary of said corporation addressed and mailed to each of the stockholders of said corporation whose names appeared upon the books of the corporation as sufficiently addressed or identified, and to every stockholder of the corporation whose name appeared upon the books of the corporation from and including the 30th day of August, 1906, to and including the 2nd day of October, 1906. Said notices were mailed to said stockholders by depositing the

same, addressed to each stockholder at his place of residence, in the United States Post Office, in the City and County of San Francisco, State of California, with the postage thereon fully prepaid; that at the time said notices were so addressed and mailed to such stockholders, the name of each stockholder of the corporation appeared upon the books of the corporation as sufficiently addressed and identified and the residence of such stockholder was known to said Secretary; and that the affidavit of said Frank A. Losh, the Secretary of said corporation, marked "Exhibit B," showing such mailing of such notices is hereto attached and made a part hereof;

And we do further certify and declare that in pursuance of said resolution and notice, on the day appointed, to wit: On Saturday, the 3rd day of November, 1906, at the hour of 11 o'clock A. M. of that day at the office of said corporation No. 1128 McAllister Street, in the City and County of San Francisco, State of California (the same being the principal place of business of the corporation, and being the building where the Board of Directors usually meet) said meeting of stockholders of said Northwestern Portland Cement Company only took place and was held; that said meeting was called to order by William J. Dingee, the President of said corporation, and on motion duly made, seconded, and carried, said William J. Dingee, the President of said corporation, was unanimously elected Chairman of the meeting and acted as such Chairman; and on motion duly made, seconded and carried Frank A. Losh, the Secretary of said corporation, was unanimously elected

Secretary of said meeting, and acted as such Secretary;

And we do further certify and declare that at said stockholders' meeting there were present, in person and represented by proxies in writing, duly filed with the Secretary as required by the By Laws of the corporation, stockholders holding and representing, upon the books of the Company, fifty thousand (50,000) shares of the subscribed capital stock thereof;

And we do further certify and declare that the following proceedings of said meeting of stockholders were taken and had:

The Chairman stated that the meeting had been called by the Board of Directors of the corporation, for the purpose of considering and acting upon a proposition to create a bonded indebtedness of said corporation to the amount of Two million (2,000,000) dollars, in United States Gold Coin, to the end and for the purpose of providing moneys to acquire property, construct and equip the company's plant and to pay the indebtedness of the Company, and for other legitimate and necessary purposes; the Secretary thereupon read the resolution of the Board of Directors adopted at the meeting of the Board held on the 30th day of August [455—151z] calling such meeting of stockholders, which resolution is hereinabove set forth; and also read the notice of the meeting, which notice is hereinabove set forth;

It having been shown that the publication and service of the notice of the meeting had been given in the manner and in all respects as required by law, the stockholders thereupon proceeded to consider

said proposition, and after *discussin* and considering the same, A. F. Morrison, a stockholder of the corporation, offered the following resolutions and moved their adoption :

WHEREAS HERETOFORE TO WITH: On the 30th day of August, 1906, the Board of Directors of Northwestern Portland Cement Company, a corporation, by a resolution duly passed and adopted by the unanimous vote of the Board all of the Directors being present, ordered and called a meeting of the stockholders of the corporation at eleven o'clock a. m., at the office of the corporation, No. 1228 McAllister Street, in the City and County of San Francisco, State of California, that being the principal place of business and the office of the corporation, and the building where the Board of Directors usually meet) for the object and purpose of then and there considering and acting upon a proposition to create a bonded indebtedness of the corporation to the amount of Two million (2,000,000) dollars, in United States Gold Coin, to the end and for the purpose of providing moneys to acquire property, construct and equip the company's plant and to pay the indebtedness of the corporation, and for other legitimate and necessary purposes; and

WHEREAS; in pursuance thereof, a notice of the time and place of said meeting, specifying the object of said meeting and the amount of the bonded indebtedness which it is proposed to create, has been published in 'The Recorder' a newspaper of general circulation printed and published daily in the City and County of San Francisco, State of California,



and designated therefor in said resolution of the Board of Directors, ordering and calling said meeting, once a week for at least sixty days (60) days prior to the date of said meeting, and in addition to said notice by publication the Secretary of the corporation did address a like notice to each of the stockholders of the corporation at his place of residence, which notices so addressed were mailed in the United States Post Office, at San Francisco, California, with the United States postage thereon fully prepaid, to each stockholder of the corporation, more than thirty (30) days before the day appointed for such meeting, all of which is now shown to have been done as required by law, and the said resolution of the Board of Directors; and

WHEREAS, by reason of the facts herein recited, and by virtue of law, this meeting of stockholders is qualified by a vote of stockholders, representing at least two-third of the subscribed and issued Capital Stock of the corporation, to create a bonded indebtedness to the amount mentioned in said resolution of the Board of Directors and said notices;

NOW, THEREFORE, BE IT RESOLVED that a bonded indebtedness of this corporation, Northwestern Portland Cement Company, to the amount of two million (2,000,000) dollars, in United States Gold Coin, be, and the same is, hereby authorized and created for the purpose of providing moneys to acquire property construct and equip the Company's plant and to pay the indebtedness of the Company, and for other legitimate and necessary purposes; and

[456—151aa]

BE IT FURTHER RESOLVED: that the bonded indebtedness hereby authorized and created, shall be represented by two thousand (2,000) bonds of this corporation of the denomination of one thousand (\$1000) dollars each, and that said bonds shall bear interest at the rate of nine (9) per cent per annum from their date until paid, which interest shall be payable in such installments and at such times as the Board of Directors may determine; and that said bonds shall have appropriate coupons attached for each interest payment; and that both the principal and interest of said bonds shall be payable in United States Gold coin of the present standard of weight and fineness; and that said bonds shall bear *date of* November 1st, 1906, and be payable by their terms on the first day of November, in the year 1946, except that this corporation shall reserve the right, at its option, to call in and redeem any of such bonds on the first day of November 1911, or on the first day of any May or the first day of any November, thereafter, upon payment of par value thereof, with a premium of ten (10) per cent of such par value, and the interest due thereon at the date fixed for redemption; and

BE IT FURTHER RESOLVED: that the Board of Directors, for the purpose of securing the payment of said bonds and the interest thereon, be, and it is hereby authorized empowered and directed to prepare, execute, acknowledge and deliver, or caused to be prepared, acknowledged, executed and delivered, in the name and under the seal of this corporation to the Mercantile Trust Company of San

Francisco, as Trustee, a mortgage or deed of trust bearing even date with said bonds covering all of the property, both real and personal, now owned by the corporation and all which it may hereafter acquire, and that such mortgage or deed of trust and said bonds and coupons be made in such form and contain such provisions terms and conditions in all respects as the Board of Directors may deem necessary, proper or convenience in the premises, or may authorize to be executed; and

BE IT FURTHER RESOLVED: that said bonds be sold, by and under the direction of, the Board of Directors of this Company in such lots and parcels and in such manner and upon such terms as to the Board shall seem *proper*; and

BE IT FURTHER RESOLVED: that the Board of Directors be, and it hereby is expressly authorized, empowered and directed to do and perform and to cause to be done and performed, each and every act, deed and thing whatsoever, which to said Board of Directors shall seem requisite or necessary or proper to faithfully carry out the objects and intent of these resolutions, and to fully accomplish the purposes and objects for which said bonded indebtedness has been created and authorized."

The motion to adopt said resolutions was seconded by Frank A. Losh, a stockholder of the corporation. The Chairman put the question on the adoption of the resolutions, and the stockholders then proceeded to vote upon a call of the roll by 'ayes' and 'noes' and upon said motion to adopt the resolutions the following named stockholders, owning and holding

respectively the number of shares of the subscribed capital stock of said corporation set opposite their several and respective names voted in favor of the adoption of said resolutions, that is to say:

William J. Dingee.....1 share

Edward McGary .....1 share

W. C. Webb.....1 share

A. F. Morrison.....1 share

[457—151bb]

Frank A. Losh.....1 share

Irving A. Bachman by William

J. Dingee, his proxy...49995 shares

Total vote .....50000 shares

being the unanimous vote in favor of the adoption of said resolutions by all of the stockholders present and represented by proxy at said meeting:

WHEREUPON, the chairman declared that the motion to adopt said resolutions had been unanimously carried, and that said resolutions had been passed and adopted by a vote of all the stockholders present and represented by proxy at said meeting, namely, by stockholders representing Fifty thousand (50,000) shares of the subscribed and issued capital stock of the corporation; all of which appears of record in the minutes of said meeting of the Board of Directors of said corporation, and in the minutes of the meeting of the stockholders thereof, as recorded and preserved in its record-book;

And we further certify and declare that by the proceedings aforesaid a bonded indebtedness of said Northwestern Portland Cement Company, a corpo-

ration, has been created, and authorized to be created, to the amount of \$2,000,000 in United States gold coin, that the amount of stock represented at said stockholders' meeting was 50,000 shares of the par value of \$100 each aggregating \$5,000,000 of par value; that the vote by which said bonded indebtedness was created, accomplished and authorized was a vote in favor thereof by stockholders representing 50,000 shares of the subscribed and issued capital stock of the corporation, which is more than two-thirds of the subscribed capital stock of the corporation.

IN WITNESS WHEREOF, we have hereunto set our hands and caused the corporate seal of said corporation to be hereunto affixed, this 3rd day of November, 1906.

WILLIAM J. DINGEE,  
President of the Northwestern Portland Cement  
Company and Chairman of Said Meeting of  
Stockholders.

[Corporate Seal] FRANK A. LOSH,  
Secretary of Northwestern Portland Cement Com-  
pany and Secretary of Said Meeting of Stock-  
holders.

WILLIAM J. DINGEE,  
EDWARD McGARY,  
A. F. MORRISON,  
W. C. WEBB,  
FRANK A. LOSH,

Directors of Northwestern Portland Cement Com-  
pany. [458—151cc]



## STATE OF CALIFORNIA,

City and County of San Francisco,—ss.

On this 3rd day of November, 1906, before me HENRY P. TRICOU, a Notary Public in and for the City and County of San Francisco, duly commissioned and sworn, personally appeared William J. Dingee, known to me to be the President of Northwestern Portland Cement Company, the corporation described in the within and annexed instrument, and Chairman of the meeting of stockholders of said instrument as such Chairman and President, and Frank A. Losh, known to me to be the Secretary of said Northwestern Portland Cement Company, and the Secretary of said meeting of said stockholders of said Company, whose name is subscribed to said instrument as such Secretary, and they duly acknowledged to me that they executed said instrument as such Chairman and Secretary, respectively of said meeting, of stockholders of said corporation; and as President and Secretary respectively of said corporation; and on the same day personally appeared before me William J. Dingee, Edward McGary, W. C. Webb, A. F. Morrison and Frank A. Losh, known to me to be the Directors of said Northwestern Portland Cement Company, whose names are subscribed to the said instrument as such Directors and they severally acknowledged to me that they executed said instrument as Directors of said Northwestern Portland Cement Company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in the City and County of San Francisco, State of Cali-

fornia, the day and year in this certificate first above written.

(Notarial Seal)                      HENRY P. TRICOU,  
Notary Public in and for the City and County of San  
Francisco, State of California.

STATE OF CALIFORNIA,  
City and County of San Francisco,—ss.

WILLIAM J. DINGEE and FRANK A. LOSH,  
each being duly sworn, each for himself deposes and  
says: That said William J. Dingee is the President  
of Northwestern Portland Cement Company, the  
corporation mentioned in the foregoing Certificate of  
creation of bonded indebtedness; and that Frank A.  
Losh is the Secretary of said Northwestern Portland  
Cement Company; that he has read the foregoing  
certificate of creation of bonded indebtedness and  
knows the contents thereof, and that the same is  
true.

WILLIAM J. DINGEE,  
President of Northwestern Portland Cement Com-  
pany, a Corporation.

FRANK A. LOSH,  
Secretary of Northwestern Portland Cement Com-  
pany, a Corporation.

Subscribed and sworn to before me this 3 day of  
November, 1906.

(Notarial Seal)                      HENRY P. TRICOU,  
Notary Public in and for the City and County of San  
Francisco, State of California. [459—151dd]

In the Matter of the Notice of Stockholders' Meeting of Northwestern Portland Cement Company to Consider Proposition to Create a Bonded Indebtedness.

State of California,

City and County of San Francisco,—ss.

E. C. LUCHESSA, of the said City and County, having been first duly sworn, deposes and says:

That he is, and at all times herein mentioned, was a citizen of the United States over twenty-one years of age; and is competent to be a witness on the hearing of the matters mentioned in the annexed printed copy of Notice of Stockholders' Meeting of Northwestern Portland Cement Company to consider Proposition to Create a bonded indebtedness; that he has no interest whatsoever in the matters mentioned therein; that he is, and at all times embraced in the publication herein mentioned, was the Principal Clerk of the printers and Publishers of the 'Recorder,' a newspaper of general circulation, printed and published daily (Sundays excepted) in said City and County.

That deponent, as such Clerk, during all times mentioned in this affidavit has had, and still has, charge of all the advertisements in said newspaper.

That Notice of Stockholders' meeting of Northwestern Portland Cement Company to consider proposition to Create a Bonded Indebtedness, of which the annexed is a true printed copy, was published in the above-named newspaper on the following dates, to wit: August 31st, 1906, September 7th, 14th, 21st, and 28th 1906; October 5th, 12th, 19th and

26th, 1906, and November 2nd, 1906, and further dependent sayeth not.

E. C. LUCHESSA.

Subscribed and sworn to before me this 2nd day of November, 1906.

CHARLES R. HOLTON,

Notary Public in and for the City and County of San Francisco, State of California.

‘EXHIBIT A.

NOTICE OF STOCKHOLDERS' MEETING OF  
NORTHWESTERN PORTLAND CEMENT  
COMPANY TO CONSIDER PROPOSITION  
TO CREATE A BONDED INDEBTEDNESS.

Notice to the Stockholders of Northwestern Portland Cement Company is hereby given that in pursuance of a resolution of the Board of Directors of said corporation, passed and adopted at a meeting of said Board, held at the office of the corporation in the City and County of San Francisco, State of California, on the 30th day of August, 1906, a special meeting of the stockholders of said Northwestern Portland Cement Company will be held at the office of the corporation, No. 1228 McAllister Street, in the City and County of San Francisco, State of California (the same [460—151ee] being the principal place of business of said corporation and the building where the BOARD of Directors usually meet) on Saturday the third day of November, 1906, at the hour of eleven (11) o'clock a. m. for the purpose of considering and acting upon a proposition for creating a bonded indebtedness of said corporation to the amount of two

million (2,000,000) dollars, in United States gold coin, to the end and for the purpose of providing moneys to acquire property construct and equip the company's plant and to pay the indebtedness of the company, and for other legitimate and necessary purposes; which bonded indebtedness shall be secured by a mortgage or deed of trust upon all of the property both real and personal, now owned by the corporation, and which it may hereafter acquire.

By order of the Board of Directors.

Dated August 30, 1906.

FRANK A. LOSH,

Secretary of Northwestern Portland Cement Company.

Aug. 31-10 tF.'

(Endorsed): In the Superior Court in and for the City and County of San Francisco, State of California. Department . . . . . In the Matter of the Notice of Stockholders' Meeting of Northwestern Portland Cement Company to Consider Proposition to Create a Bonded Indebtedness. Affidavit of Public in the 'THE RECORDER' of Notice of Stockholders' Meeting of Northwestern Portland Cement Company to Consider Proposition to Create a Bonded Indebtedness. Frank A. Losh, Secretary."

STATE OF CALIFORNIA,

City and County of San Francisco,—ss.

FRANK A. Losh, being first duly sworn, deposes and says: That he is, and was at all the times herein mentioned, the Secretary of Northwestern Portland Cement Company, a corporation created, organized



and existing under the laws of the State of California.

That on the 2nd day of October, 1906, at the City and County of San Francisco, State of California, he addressed a notice of which copy is attached hereto and made a part hereof, to each of the stockholders of said Northwestern Portland Cement Company, whose name appears upon the Company's books between the 30th day of August, 1906, and the 2d day of October, 1906, both days inclusive, at such stockholders place of residence, and that the place of residence of each of said stockholders was at all such times known to affiant; and that affiant mailed said notice, in the case of each stockholder, to such stockholder so addressed by depositing the same on said 2nd day of October, 1906, in the United States Post Office at San Francisco, California with the postage thereon prepaid.

FRANK A. LOSH.

Subscribed and sworn to before me this 2nd day of Oct., 1906.

(Notarial Seal)      ADELINE COPELAND,  
Notary Public, in and for the City and County of San  
Francisco, State of California. [461—151ff]

‘EXHIBIT B.

NOTICE OF STOCKHOLDERS' MEETING OF  
NORTHWESTERN PORTLAND CEMENT  
COMPANY TO CONSIDER PROPOSITION  
TO CREATE A BONDED INDEBTEDNESS.

Notice to the stockholders of Northwestern Portland Cement Company is hereby given that in pursu-

ance of a resolution of the Board of Directors of said corporation, passed and adopted at a meeting of said Board, held at the office of the corporation in the City and County of San Francisco, State of California, on the 30th day of August, 1906, a special meeting of the stockholders of said Northwestern Portland Cement Company will be held at the office of the corporation No. 1228 McAllister Street, in the City and County of San Francisco, State of California (the same being the principal place of business of said corporation and the building where the Board of Directors usually meet) on Saturday the third day of November, 1906, at the hour of eleven (11) o'clock a. m. for the purpose of considering and acting upon a proposition for creating a bonded indebtedness of said corporation to the amount of two million (\$2,000,000) dollars in United States gold coin, to the end and for the purpose of providing moneys to acquire property, construct and equip the company's plant and to pay the indebtedness of the company, and for other legitimate and necessary purposes; which bonded indebtedness shall be secured by a mortgage or deed of trust upon all of the property, both real and personal, now owned by the corporation, and which it may hereafter acquire.

By order of the Board of Directors.

Dated August 30th, 1906.

FRANK A. LOSH,

Secretary of Northwestern Portland Cement Company.

Aug. 31-10t F.' "

(Endorsed on back): "No 750 (Original). Certificate of Creation of Bonded Indebtedness of North-

western Portland Cement Company. Dated November 3, 1906. Filed in the office of the County Clerk of the City and County of San Francisco, State of California, this 5th day of Nov., 1906. H. I. Mulcrevy, County Clerk. By L. J. Welch, Deputy Clerk." [462—151gg]

“ARTICLES OF INCORPORATION.

of

STANDARD PORTLAND CEMENT CORPORATION.

No. 904.

C. F. Curry, Secretary of State.

J. Hoesch, Deputy.

STATE OF CALIFORNIA.

DEPARTMENT OF STATE.

I, C. F. Curry, Secretary of State of the State of California, do hereby certify that I have carefully compared the annexed copy of Articles of Incorporation of STANDARD PORTLAND CEMENT CORPORATION with the certified copy of the original now on file in my office and that the same is a correct transcript therefrom, and of the whole thereof. Also that this authentication is in due form, and by the proper officer.

WITNESS my hand and the Great Seal of State at office in Sacramento, California, the 25th day of February, A. D. 1907.

(Seal)

C. F. CURRY,

Secretary of State.

By .....  
Deputy.”

“ARTICLES OF INCORPORATION  
of  
STANDARD PORTLAND CEMENT CORPORATION.

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, all of whom are citizens of the United States of America, and residents and citizens of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the State of California.

AND WE HEREBY CERTIFY:

FIRST: That the name of said corporation shall be

STANDARD PORTLAND CEMENT CORPORATION.

SECOND: That the purposes for which it is formed are:

(1) To manufacture, buy, sell and deal in all parts of the world in cement and the products thereof, and in all materials and substances contained in the earth, or in whole or in part, manufactured from or compounded of any materials or substances so contained;

(2) To build, construct, hire, lease, buy, own, maintain, construct and operate works, buildings and offices for manufacturing and dealing in cement, and the products thereof, and for manufacturing and dealing in the other materials and substances above mentioned;

(3) To acquire, invest, and deal in, buy, sell,

hold, own, mortgage, hypothecate, lease, let, exchanged and improve, in all lawful ways, all kinds of real and personal property including [463—151hh] easements, water and water rights, and all kinds of rights and franchises, and bonds or other obligations of the United States of America, or of this or any other State or Territory of the United States of America, or of this or any other State or Territory of the United States of America, or of any municipal or political corporation therein or thereof;

(4) To acquire, own, hold and operate quarries, mines, ditches, pipe-lines, flumes, chutes, tramways, reservoirs, water works and electrical plants; and to generate transport, transmit, and sell water, water-power and electrical power;

(5) To charter, build, construct, own, lease, hire and operate steam, sailing and other vessels, and wharves, piers, and warehouses;

(6) To buy, sell, take, lease or otherwise acquire, own, inventions, licenses and patents, and all kinds of interest therein;

(7) To acquire by purchase, subscription or otherwise, and to hold, own, deal in, sell, assign, transfer, mortgage, pledge, and otherwise dispose of shares of the capital stock of, and any bonds or other evidences of indebtedness secured or unsecured, granted or issued by any other corporation or corporations, of this or any other State, Territory, or country, and to exercise all rights and powers of ownership, including the right to vote thereon;

(8) To borrow and lend money, and execute bonds, promissory notes, bills of exchange and other obligations and evidences of indebtedness of all



kinds, whether secured by mortgage, deed of trust, or otherwise, or unsecured;

(9) To mortgage, pledge and convey in trust all or any part of the property, rights, interests and franchises of this corporation and to pledge all or any bonds, promissory notes, bills of exchange and all securities of any kind, and all evidences of indebtedness, secured or unsecured, at any time owned by such corporation.

(10) To aid in any manner any corporation of which any of the bonds or other securities or evidences of indebtedness or stock are held by this corporation, and to do any acts or things designed to protect, preserve, improve or enhance the value of any such bonds or securities or evidences of indebtedness or stock;

(11) To engage in and conduct any other business incidental, necessary, useful or auxillary to all or any of the purposes or business aforesaid.

(12) Generally to do and perform all things whatsoever that shall be necessary or proper for the full and complete execution of the purposes for which such corporation is formed, and the exercise and enjoyment of all its powers and franchises; and in general to engage in, undertake, transact and do all and singular the things which natural persons may lawfully engage in, undertake, transact and do other than those things which a corporation organized under the laws of this state cannot lawfully do without complying with the special provisions contained in titled II to XVI, both numbers included of Part IV, Division One of the Civil Code of the State of California. [464—151ii]

THIRD: That the place where the principal business of said corporation is to be transacted is and shall be the City and County of San Francisco, State of California.

FOURTH: That the term for which said corporation is to exist is fifty years from and after the date of its incorporation.

FIFTH: That the number of directors of said corporation shall be five, and that the names and residences of those who are appointed for the first year are as follows:

Names.	Whose Residence is at
James L. Robinson	San Francisco, California.
Walter Rothchild	“ “
Thomas D. Davidson	“ “
Joseph H. Mayer	“ “
Andrew F. Burke	“ “

SIXTH: That the amount of the capital stock of said corporation is Four million dollars (4,000,000) and the number of shares into which it is divided is Forty thousand (40,000) shares of the par value of One hundred dollars (\$100) each.

SEVENTH: That the amount of said capital stock which has been actually subscribed is Five Hundred Dollars (\$500.00) and the following are the names of the persons by whom the same has been subscribed:

Names of Subscribers.	Number of Shares	Amount
James L. Robinson	One	\$100.00
Walter Rothchild	One	100.00
Thomas D. Davidson	One	100.00
Joseph H. Mayer	One	100.00
Andrew F. Burke.	One	100.00

IN WITNESS WHEREOF, we have hereunto set our hands and seals this Twenty third day of February A. D. 1907.

JAMES L. ROBINSON.     (Seal)

WALTER ROTHCHILD.     (Seal)

THOMAS D. DAVIDSON.     (Seal)

JOSEPH H. MAYER.     (Seal)

ANDREW F. BURKE.     (Seal)

Signed and Sealed in the Presence of:

STATE OF CALIFORNIA,

City and County of San Francisco,—ss.

On this twenty third day of February in the year A. D. 1907, before me Hugh T. Sime, a Notary Public in and for the said City and County, residing therein, and duly commissioned and sworn, personally appeared JAMES L. ROBINSON, WALTER ROTHCHILD, THOMAS D. DAVIDSON, JOSEPH H. MAYER, and ANDREW F. BURKE, known to me to be the persons whose names are subscribed to and who executed the within instrument and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed [465—151jj] my official seal the day and year last above written.

(Notarial Seal)

HUGH T. SIME,

Notary Public in and for the City and County of San Francisco, State of California.

Filed in the office of the County Clerk of the City and County of San Francisco, State of California, this 23rd day of Feb. A. D. 1907. H. I. Mulcrevy, County Clerk. By L. J. Welch, Deputy Clerk.

City and County of San Francisco,  
State of California,—ss.

I, H. I. MULCREVY, County Clerk of the City and County of San Francisco, State of California, do hereby certify that the annexed is a full, true and correct copy of the original articles of incorporation of STANDARD PORTLAND CEMENT CORPORATION, and of the whole thereof now remaining on file and of record in my office.

WITNESS my hand and official seal this 23rd day of February, A. D. 1907.

(Seal)

H. I. MULCREVY,

County Clerk.

H. I. Porter,

Deputy Clerk."

Endorsed on back: "Certified Copy (By the Secretary of State) of a Certified Copy of Articles of Incorporation of Standard Portland Cement Corporation. Dated February 23rd, 1907. (Endorsed:) Filed in the Office of the County Clerk of the City and County of San Francisco, State of California, this 23rd day of Feb., A. D. 1907. H. I. Mulcrevy, County Clerk. By L. J. Welch, Deputy Clerk. (Endorsed:) Filed in the Office of the Secretary of State the 25th day of Feb. A. D. 1907. C. F. Curry, Secretary of State. By J. Hoesch, Deputy. Record Book . . . . . Page . . . . ." [466—151kk]

Mr. DUNNE.—I will read into the reporter's notes the following historical facts connected with the directorate of the Northwestern Portland Cement Company as shown by the minutes. The original

directorship consisted of W. C. Webb, Edwin Schwab, R. M. Sims, R. M. Moore, A. F. Morrision,—W. C. Webb resigned November 7th, 1906. Edwin Schwab, R. M. Sims, R. M. Moore, resigned October 25th, 1906. A. F. Morrision's position declared vacant November 8, 1906. Edward McGary, vice Schwab, resigned November 23, 1908. Frank A. Losh, vice R. H. Moore, resigned Feb. 8, 1907. Garrett W. McEnerney, vice A. F. Morrision, resigned Dec. 1, 1908. W. H. Cole, vice Edward McGary elected Dec. 1, 1908, resigned May 3, 1909. Samuel A. Boyd, vice Losh, resigned Aug. 21, 1907. Andrew F. Burke, vice Garrett W. McEnerney resigned May 3, 1909. L. F. Young, vice Boyd, resigned May 3, 1909. William J. Dingee, vice R. M. Sims, now serving. Irving A. Bachman, vice W. C. Webb, now serving. W. M. Cannon, vice Young, now serving. At the meeting October 25, 1906, of the Northwestern Portland Cement Company, as appears from page 17 of the minutes of that company, Mr. Edward McGary a stock holder was elected a director, in the place and stead of director Edwin Schwab, and Mr. Frank A. Losh was elected a director at the same meeting. Garrett W. McEnerney was elected a director on Nov. 8th, 1906; William J. Dingee was elected a director at a meeting on October 25, 1906. Irving A. Bachman was elected a director on Nov. 7th, 1906.

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